

INSIDE: SPECIAL REPORT ON SERVICE

The Responsibility Revolution ■ 25 Pioneers ■ The Obamas on Volunteering

TIME



Out of Work In America

Why double-digit unemployment may be here to stay—and how to live with it

BY JOSHUA COOPER RAMO

Thirty of the nearly 15 million
jobless Americans, photographed
in Atlanta and San Francisco



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To Our Readers

Doing Well by Doing Good.

In our third annual service issue, we look at how a sense of responsibility among consumers is helping all of us

FOR OUR THIRD ANNUAL SERVICE ISSUE, we've tried something a little different. The first issue was "The Case for National Service," a full-throated call for universal service by Americans young and old. Last year we did "21 Ways to Fix Up America" and convened a summit on service with ServiceNation, a coalition of more than 200 organizations. The high point of that summit was a televised conversation that Judy Woodruff and I had with candidates Barack Obama and John McCain at Columbia University on the evening of Sept. 11.

Even apart from that memorable discussion, our service issues have had a real-world impact. Many of the ideas and proposals *TIME* made over the past two years have been incorporated in the Edward M. Kennedy Serve America Act, a bill passed by Congress with overwhelming bipartisan support and signed into law by President Obama in April.

So this year, in the midst of a historic economic downturn (our cover story is on unemployment), when many people are struggling, we commissioned a poll to look at how people are serving these days. The most striking results centered not on volunteering but on the cash register. (See page 40.) Even as people acknowledged that times were tough, 38% of Americans 18 and older, some 86 million people, reported taking a number of socially conscious actions this year, including buying green products and goods from companies they thought had responsible values.

This is a sea change in the mind-set of Americans and represents the rise of what we're calling the ethical consumer. Just as our DNA as Americans contains a commitment to volunteerism and civic participation, there is a new social contract evolving between many Americans and businesses about what goes into



Talking about service Stengel interviews the Obamas at the White House

making the products we buy. This does not change the need to serve in traditional ways. In fact, according to our poll, ethical consumers in the past year volunteered at higher rates than the rest of the population did.

As part of our special report on service, I spoke with the President and the First Lady in their first joint sit-down interview since the Inauguration. They agreed to do this because of their extraordinary commitment to service. The President noted more than once not to forget that the commitment to face-to-face volunteering was good for both the giver and the receiver.

This issue comes out on 9/11, which was officially designated by Congress this year as an annually observed National Day of Service and Remembrance. ServiceNation and MyGoodDeed have long worked to establish 9/11 not only as a day of remembrance but also as a forward-looking day that honors all the people who rose in service in response to the tragic events of 2001.

This issue also features our first list of 25 Responsibility Pioneers, which includes a range of social innovators, from individual activists and nimble non-profits to megacorporations. Their work covers everything from the environment to poverty eradication, community-building, fair trade and better health.

The whole package would not have been possible without the tireless reporting of contributor Jeremy Caplan, who also worked on the previous two service issues and wrote the final page of this year's, "New Ways to Make a Difference." And it was all ably edited and managed by senior editor Julie Rawe, whose rigor improved the entire issue. That's service too.

Rich

Richard Stengel, MANAGING EDITOR

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10 Questions. The primatologist's new book, *Hope for Animals and Their World*, is out now. Jane Goodall will now take your questions

What characteristics make chimpanzees seem most like human beings?

Chip Clark, ST. JOHN'S, Nfld.
There are so many. Biologically, they're so close to us. Their brain is almost identical. We have fascinating similarities in social behavior: kissing, embracing, holding hands, shaking the fist. These things are done in the same context that we do them and clearly mean the same kinds of thing.

How can you be so empathetic with chimps?

Kantesh Guttal, PUNE, INDIA
We are all part of the animal kingdom. The kind of empathy that I feel for people is the kind of empathy I feel for chimpanzees. Do they have a dark, brutal side to their nature? Yes. So do people.

How do you work with so many animals and not get overly attached to them?

Specialist McKinzie Baker, CAMP TAJI, IRAQ
I've always been very attached to the animals I work with, and although a scientist is supposed to be subjective and lack empathy, I've always thought this is wrong. It's the empathy you feel with a living, individual being that really helps you understand. Then you can use your scientific training to find out if your intuition is correct.

Which do you like better, chimps or humans?

Michael Boshears, PALMER, ALASKA
I like some chimpanzees much better than some humans and some humans much better than some chimpanzees.



We have truly harmed mother Earth - but it is not too late. She is resilient if we give her a chance. Together we can change the world.

What's your position on people who have chimps as pets?

Siobhan Laurino, LYNN, MASS.
When they are little, they are cute, but by the time they reach early adolescence, they are already as strong as a human, and you cannot predict what will trigger a sudden anger or rage. The Jane Goodall Institute is fighting very hard for legislation that will prohibit people from owning other primates as pets. Very rarely can they give them a good life.

I'm conflicted about the use of primates in research for human illnesses. What's your opinion?

Idalia Roberts, ATLANTA
The more that we learn about these animals, the more we realize that from the animals' point of view, such experi-

ments amount to torture. In many instances, it's immoral to be thinking about animals as living test tubes. So let's get our brilliant brains together and come up with alternatives as quickly as we can.

Why don't you approve of zoos? Don't they educate the public about the environment and endangered species?

Hari Venkatesh, CHENNAI, INDIA
Some zoos are O.K. The problem is, there are so many zoos where animals don't have a proper social group. They don't have things to do, and an animal like that can't educate anyone, because it's not behaving normally at all. You might just as well look at a photo or a stuffed example in

a museum, because you won't see any natural behavior.

I would like to work with orangutans when I grow up. Any tips about how to get started?

Lauren Webb, LAYTON, UTAH
I would urge you to look up our Roots and Shoots programs for young people who have the same kind of passion as you. If we don't protect these orangutans, there won't be any left for you to study.

Do you feel that in your lifetime you will have achieved what is necessary for the permanent protection of chimpanzees?

Dan Quigley, HOPKINTON, MASS.
Unfortunately not. We've got an awful long way to go.

Do you think there is still hope for this planet despite all the bad things we have done to our environment?

Elsie Wong, HONG KONG
When I was doing the research for this book, I met so many extraordinary people who rescued species from the brink of extinction when everybody else laughed at them. One example is the California condor. At one time, there were just 12 of these birds left in the wild and one in captivity. Now there are 300. This bird would have gone but for a small group of people who would not give up. As long as we have people like that, there's hope for the future. ■



VIDEO AT TIME.COM
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Postcard: Abilene.

When an adult retail chain opened its doors in a small Kansas town, residents protested—and the courts shrugged.

Where porn fought the law and porn won

BY KAREN BALL

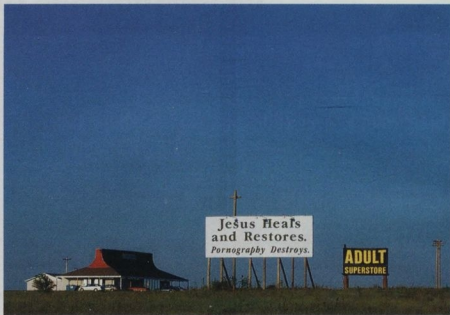

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NOT LONG AGO, A FAMILY DRIVING across Kansas on well-traveled Interstate 70 would encounter nothing racier than a pecan log and little more hyped than the “world’s largest prairie dog.” Then porn came to the highway.

In 2003, Lion’s Den, an Ohio-based chain of adult-toy stores, opened an outlet in the fabled cowboy town of Abilene—terminus of the great longhorn-cattle drives and boyhood home of Dwight Eisenhower. A pornucopia of videos, sheer little costumes and things that go hmmm moved into the peaked-roof carcass of an old Stuckey’s, not far from a Russell Stover candy factory. A big yellow sign went up that read **ADULT SUPERSTORE**. An executive at the Columbus, Ohio, headquarters of Lion’s Den, who declined to be named, says the 38-store chain has found rural highways to be a good business location. “The customer likes the anonymity. They’re not going to run into their neighbor,” the executive says.

Since it opened, however, Lion’s Den and its giant billboard have been in local crosshairs. Abilene citizens launched Operation Daniel, named for the biblical prophet who was thrown into a lion’s den but somehow tamed the beasts. As lonely truckers pulled into the parking lot, protesters met them waving signs that threatened **THINK AGAIN OR WE REPORT**. They vowed to send the license-plate numbers of porn-purchasing drivers to corporate employers. Wal-Mart soon put out the word to its drivers to steer clear.

“The home of Ike Eisenhower was fighting back,” Phillip Cosby, a retired Army master sergeant who led the Kansas antiporn brigade, recalls proudly. Then in 2006, the state legislature enacted a law to limit the size of billboards to 40 sq. ft. and its contents to just an establishment’s name, location, phone number and operating hours. But days before it was to go into effect July 1, a federal judge in Topeka blocked the law



Into the Lion’s Den Near the controversial store, antiporn activists erected a billboard of their own

until she could consider a challenge by Lion’s Den that the statute placed improper restraints on commercial free speech.

Somewhat surprisingly, officials in the Bible Belt state backed down. Kansas attorney general Steve Six announced he wasn’t going to fight for the law, as courts had already struck down similar statutes in Georgia, South Carolina and neighboring Missouri. Kansas’ law was identical to Missouri’s—which the Eighth Circuit Court of Appeals had

found unconstitutional—and it would be “fiscally irresponsible” to pursue a case with slim odds of success, Six said.

The law’s backers complain that Six caved too easily and didn’t enter evidence on pornography’s “secondary negative effects” on a community: lower property values, increased drug-trafficking and general blight. “The porn industry has deep, deep, deep pockets,” says state senator Tim Huelskamp, who believes there is a link between smut and fantasy-driven criminal behavior. “Justice shouldn’t have a price. What is the cost of one additional rape of a child, the

cost of another young woman being a victim? Kansas families deserve an opportunity to drive freely down the highway without this kind of advertising.”

J. Michael Murray, a Cleveland lawyer for Lion’s Den, says it would have been “preposterous” for Six to defend a “statute doomed to failure,” noting that the case could easily have cost the cash-strapped state government \$150,000 or more.

That’s exactly the problem, argues Operation Daniel’s Cosby. Adult chains can drive communities into bankruptcy if they put up a legal fight. Cosby, who also heads the Kansas City office of the National Coalition for the Protection of Children & Families, wants the state to pursue a different, more legally viable strategy: one that uses constitutionally approved zoning laws to restrict sexually oriented businesses or creates advertising limits like those on liquor and tobacco. Under this scenario, sex-store billboards would go the way of the Marlboro Man. “Someday,” says Cosby, “some attorney is going to get it.” Meanwhile, the Lion’s Den billboard looms defiantly over the prairie, tempting passersby to enter.



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MEETING OF THE MINDS

Las Vegas is a mecca for businesspeople from around the world who are attracted to its first-class conference facilities and outstanding hotels.

At a dinner at this year's International CES in Las Vegas, Patrick Lavelle, president and CEO of Audiovox, was seated next to a high-level executive from a major retailer that did a moderate amount of business with his firm.

The executive told Lavelle he hadn't realized how many brands Audiovox marketed until he saw its booth. Lavelle took the opportunity to bring his dining companion up to date on the wide range of wireless, mobile entertainment, security and consumer electronics products in the Audiovox line. Shortly after the

conversation, the retailer sharply increased his business with Audiovox. "It helped solidify the relationship," says Lavelle. "He realized how strong a vendor we could be. Our business has grown with them ever since."

Lavelle wasn't the least bit surprised that his trip from Audiovox headquarters in Hauppauge, N.Y. had paid big dividends. "Countless times a conversation at CES has resulted in business," he says.

Because of the business that gets done in Las Vegas, Audiovox generally sends more than 120 of its 900 employees to

the International CES, which many of its customers and suppliers regularly attend. "Las Vegas is the perfect meeting place for everyone in the industry," says Lavelle, citing the abundance of convenient transportation options, hotel rooms in every price range and the many restaurants and shows that make it easy to continue business discussions after convention hours.

In today's economy, every company needs to get a high return on investment when it comes to meetings and conventions, and Las Vegas is clearly a destination that delivers. In 2008, Las Vegas attracted more than six million businesspeople to more than 22,450 conventions and meetings. The sunny city is home to three major-league convention facilities, and its hotels, which boast a total of 140,000 rooms, offer attractive group rates. Airlines provide nonstop service from 130 U.S. locations, with more than 900 flights per day to and from the city. Within Las Vegas, the many buses, taxis and shuttles, plus the country's first automated monorail, make it simple to get around.

"The best business decision you can make is to bring your meetings or conventions to Las Vegas," says Rossi Ralenkotter, president and CEO of the Las Vegas Convention and Visitors Authority (LVCVA). "The resorts here have invested billions of dollars in creating a world-class destination, and no other destination can offer the facilities, amenities and service that Las Vegas provides meeting planners. The value proposition in Las Vegas is the best in the country for a destination of its size and scope."

Thanks to its many attractions and the know-how it has acquired over the years, Las Vegas is the ideal place for meeting many key decision-makers in one convenient location. According to a recent survey of exhibitors by Exhibit Surveys, attendance jumps 14% when a convention rotates to Las Vegas. Audiovox is planning to return to CES next year, as it has done every year since CES started in 1967. Says Lavelle, "With the combined draw of CES and Las Vegas pulling in people worldwide, it's an exceptional value for the promotional dollars we spend." ●

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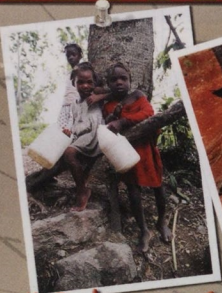
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Inbox



Teddy's Legacy

THE LIFE, WORK AND LEGACY OF TED KENNEDY are vivid reminders that it is possible to remain passionate and committed to one's worldview and still inspire love, respect and gratitude from those in opposition [Sept. 7]. Through Kennedy's example, we can see that graciousness and a spirit of compromise can accomplish wonderful things and that lives can be redeemed at any point. Limbaugh, Coulter, Beck and others, take note.

Ron Kuhlmann, DANVILLE, CALIF.

WHEN I RECENTLY HEARD KENNEDY WAS dying, my thoughts went immediately to Mary Jo Kopechne, the 28-year-old schoolteacher and former assistant to his brother Bobby who drowned when Kennedy drove his car off a bridge. Rather than call for help, he hid out until the next morning. When Kennedy died, I could have, and maybe should have, been more sympathetic. I should not have yelled out, "You lived 40 years longer than she did, Kennedy!" But all I can think about is that July 18, 1969, night. If he by some miracle should see Kopechne in heaven, he should apologize profusely.

Stewart Perry, WAYZATA, MINN.

AS SOUTHEAST ASIAN IMMIGRANTS, MY family owes Kennedy a debt of gratitude. Because of the Immigration and Nationality Act of 1965 that he helped pass, we

were able to come to this country many years ago and build a new life. His countless good deeds on behalf of the common man will reverberate in our nation's soul. The best tribute his colleagues in Congress can bestow is the health-care-reform bill that was his life's cause and that he worked so hard for but, sadly, did not live to see enacted. Farewell to a true patriot.

Cheers Echevarria-Leary, PINOLE, CALIF.

WHY WOULD YOU USE A YOUTHFUL SHOT of Kennedy with an airbrushed glow surrounding him? Is the suggestion that we should exalt him somehow? Kennedy was a handsome elder statesman and a wonderful Senator—but not a saint.

David Moore, SILVER SPRING, MD.

WHO IS THIS GRIM, GRAY-FACED MAN? Where are the smile, the twinkling eyes, the great white mane of hair?

Virginia Duquette, CENTERVILLE, MASS.

SENATOR KENNEDY HAD THE ECONOMIC and political clout to challenge the powerful on behalf of the powerless and did so many times. To me, an African American who grew up in the South and was inspired—at times emboldened—by the leadership of Martin Luther King Jr. and the Kennedys, he did even more. Like King and like his brothers John and Robert, Ted spoke truth to power, but when black folk in the South who thought themselves

HEAT FROM THE HEARTLAND

I FOUND "AMERICA'S FOOD CRISIS AND How to Fix It" misguided [Aug. 31].

Corn is the most productive crop in the Midwest and allows farmers to keep up with consumer demand for protein.

When I started in 1985, corn yielded 140 bushels per acre, and today it can yield 280—despite the use of fewer chemicals and fertilizers. Farmers are becoming more efficient with their resources. You imply that confined livestock are polluting our streams. Manure is a valuable resource used liberally to produce the corn crop. The primary pollutants of our water supply are sewer systems that cannot handle rainstorms. I suggest you get out of the city, go to the heartland and write about one of America's true success stories.

Ed Vock, COLUMBUS, OHIO

powerless were moved to action by his message, he spoke truth to impotence and generated power.

David L. Evans, CAMBRIDGE, MASS.

The More Things Change ...

RE "HOW THE TALIBAN THRIVES" [SEPT. 7]: Our involvement in Iraq and Afghanistan is comparable to placing one's hand in a pail of water. When you stick your hand into the water, you create an effect. When you pull it out, the water returns to its original state. While we occupy those countries, we suffer casualties and financial disaster. Once we leave, everything will return to the way it was before: tribal wars, Muslim traditions and culture. We will have accomplished nothing. You cannot change thousand-year-old cultures into democratic states in a few years. It takes decades, even centuries for cultures to evolve into advanced political systems.

Frosty Wooldridge, GOLDEN, COLO.

Workin' 9 to 6

THE FOUR-DAY WEEK MAY BE A GOOD IDEA, but why 40 hours—the norm since 1935 [Sept. 7]? Have we not made some small productivity gains since then? Those who work a four-day week can now be as productive working nine hours a day as they would be in 10. We should transition to

'History will be kind to Kennedy, a prophet of hope. And like other great Americans who went before him, he now belongs to the ages.'

Paul L. Whiteley Sr., LOUISVILLE, KY.



Imperfect superhero Kennedy, right, in 1964, lived long enough to make public mistakes—and to become a historic U.S. Senator and family steward

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Vehicle shown with optional equipment

Inbox

a standard workweek of 36 hours as full-time employment to recognize a small part of the productivity gains of the past 70 years and to give two-earner families extra quality time with loved ones. That might even create a few more jobs.

Walter J. Costello, WALLOPS ISLAND, VA.

A New Crime for Lockerbie

THANKS FOR THE "SPOTLIGHT" ON THE Lockerbie bomber [Sept. 7]. The deeply disturbing release of this mass murderer becomes even more horrific given the background allure of "multibillion-dollar energy and defense contracts." Was this, then, an act of "compassion" or commercial passion?

Richard D. Wilkins, SYRACUSE, N.Y.

Hair: The White House Version

I DISAGREE ENTIRELY WITH YOUR ARTICLE on why the First Lady's hair matters [Sept. 7]. Every woman, regardless of ethnicity, deals with hair issues. To ask Michelle Obama to define some kind of norm for African-American women is ridiculous. I'm Irish with red, naturally curly hair. Both my kids inherited the curl, but they choose to straighten their hair. Do I tell them that they are betraying their

birthright by straightening their hair? No. How a woman chooses to present herself in public is her choice, and it shouldn't be of particular importance to people because she is a woman and she is famous.

Anne Lindsey, DALLAS

ONE MUST INDEED WONDER WHETHER Barack Obama would have been elected if Michelle had worn a natural, unstraightened hairdo during the campaign. One must also wonder what the effect would be on the President's approval ratings and the First Lady's fashion ratings if she chose such a style in the White House. I'll wager we never find out.

Charles Walpole, FARMERS BRANCH, TEXAS

IN THESE DAYS OF HEALTH-CARE DEBATES, budget destruction, a nuclear Iran, global warming and more, do we really need two pages on Michelle Obama's hair?

David Reber, LAS CRUCES, N.M.

Medicare's Not the Problem

WHY DO POLITICIANS AND ECONOMIC writers keep touting Medicare and Social Security as major factors in U.S. debt, as in "Brief History: The Federal Deficit" [Sept. 7]? These programs are funded by

payroll deductions and matching payments by employers. Yes, the trust-fund debt is part of the federal debt because politicians saw fit to borrow that money at no interest. There is now a surplus in the Social Security trust. My children, ages 40 to 48, should be able to receive the same benefits, adjusted for inflation, that my wife and I receive. Congress must stop playing with our money and start taking care of the majority of hardworking Americans.

David Bailey, NEWCASTLE, MAINE

Prosecuting Torture

IN "THE MOMENT," REGARDING ATTORNEY General Eric Holder's decision to investigate the possibility that torture methods were used during the George W. Bush Administration, *Time* asks, "Did harsh methods like waterboarding lead to actionable intelligence?" [Sept. 7]. It doesn't matter! Torture is morally repugnant, regardless of outcome. Those committing torture lose their humanity. When a country condones it, it likewise loses its soul and becomes defeated from within. I applaud Holder. For the U.S. to be a moral beacon, we must look at ourselves with the same eyes with which we look at other countries.

Tom Schrack, FAIRFAX, VA.

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RE "THE CLUNKER DEBUNKER" [Aug. 31]: I find it interesting that the top five vehicles traded in under the cash-for-clunkers program were from U.S. carmakers, and four of the top five fuel-efficient vehicles purchased in return were from Japanese companies. It doesn't do much to help General Motors and Chrysler, but perhaps it tells us something about how U.S. car manufacturers got themselves in this mess to begin with.

Archie Gillis, TORONTO

Show Me the Money

RE "THE RAGE OVER GOLDMAN SACHS" [Aug. 31]: I will take CEO Lloyd Blankfein's word that he is shocked by the perception that the firm "burned down the Reichstag, shot the Archduke Ferdinand and fired on Fort Sumter." What a relief that is. Nevertheless, many of us are still wondering if Goldman Sachs' former employees who now hold influential government positions have unduly influenced national economic policy to Goldman's advantage. It is also high time we discovered whether Goldman's astronomical profits are the upshot of its alleged ability to perpetuate sophisticated market manipulation and

fraud. These are real questions to which we still do not have satisfying answers from Goldman Sachs or anyone else.

Daniel Clemens, NEW YORK CITY

The Business of Food

I AM SADDENED THAT *TIME* HAS JOINED the bandwagon of maligning modern animal agriculture [Aug. 31]. I have invested 20 years into the daily management of 12,000 dairy cattle. Few of the "small-scale" farms I saw as a rural veterinarian achieved the degree of cow care we have been able to provide on our current "factory farm." None converted their manure to electricity or took advantage of new, more environmentally friendly technologies. The modern direction of large-scale animal operations is to employ skilled professionals in all areas

to better care for animals, the environment and the consumer. Getting this done successfully has been far from "soul-killing" for me and those with whom I work.

Thomas Sarosy, FAIR OAKS, IND.

BRAVO, BRAVO, BRAVO TO *TIME* FOR REVEALING the truth about where our food comes from and what it's doing to our health and environment. This issue is a huge elephant in a room where everyone's wearing a blindfold. Movies like *Food, Inc.* never reached mainstream theaters, and only those who really care are reading Michael Pollan and Eric Schlosser. Please don't let this issue go. Too many people are oblivious, and until they become informed and horrified, nothing will really change.

Jeanne Knight, TYNGSBORO, MASS.

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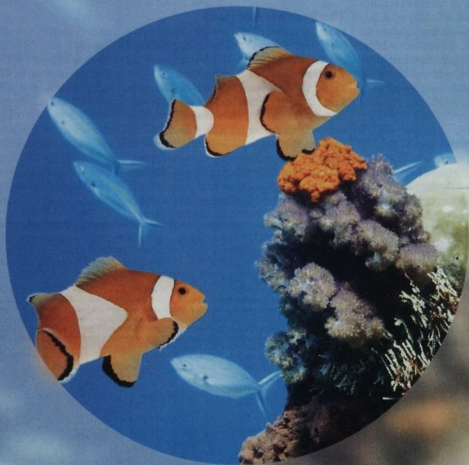


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Briefing

THE WORLD SPOTLIGHT VERBATIM

HISTORY MILESTONES



The Moment

9/7/09: Papua New Guinea

MOST PEOPLE BRING BACK the usual mementos from their trips: photographs, T shirts, diarrhea. The BBC Natural History Unit, however, returned home with something better. A scientific team from the British broadcaster visited the South Pacific country of Papua New Guinea earlier this year to film a nature documentary and, in the process, discovered more than 30 new species of animals. Among the creatures—all living inside

the crater of the extinct Mount Bosavi volcano—were a giant rat measuring 32 in. long and weighing more than 3 lb., making it one of the largest rodents on Earth, along with 16 species of frogs, at least three types of fish and a bat. “It was mind-blowing,” George McGavin, a biologist on the team, told reporters. “The crater of Mount Bosavi really is the Lost World.”

While the sheer number and sizes of the animals were extraordinary, the scientific

discovery of new species is quite routine. Biologists are identifying them at a rate of about 50 a day. Nearly 17,000 new plants and animals were described in 2006 alone—some 1% of the 1.8 million species that have been named

A scientific team discovered more than 30 new species in an extinct volcano

so far. (Estimates of the total number of species range from 5 million to as many as 100 million.) Yet even as we discover new ones, we’re losing species at 10,000 times the natural rate—a loss of life so great that we’ve entered the

sixth great mass extinction in Earth’s history.

Why? When the environment changes faster than life can adapt, extinction is inevitable. But the present danger comes from the annihilation of the tropical forests, which house a richer variety of animals and plants than any other place on the planet. Papua New Guinea lost more than 25% of its forest from 1972 to 2002, and the BBC team noted that an area was being logged just 20 miles from the Bosavi crater. As of 2005, some 14.8 million acres of primary, untouched forest were being felled every year—taking with them species we’ll never get the chance to count.

—BY BRYAN WALSH

The World

10 ESSENTIAL STORIES



Afghan police at the bombing site. Merkel says German troops are still needed in the country

1 | Berlin

A Deadly Air Strike Hits Home

German Chancellor Angela Merkel is facing growing criticism at home and abroad after a bombing in northern Afghanistan ordered by German troops killed dozens of people, including civilians. In an address to parliament, Merkel expressed regret but insisted she would not "accept premature judgments" about the incident, the deadliest involving the nation's military since World War II. The Sept. 4 strike on two fuel trucks hijacked by the Taliban, which was carried out by U.S. fighter jets, has heightened the Afghan war's unpopularity in Germany and erodes confidence in Merkel's coalition government ahead of parliamentary elections Sept. 27.

2 | Gabon

Violence Follows Vote

Alli Ben Bongo was set to fill the shoes of his late father Omar Bongo as Gabon's next President after winning the sub-Saharan nation's presidential elections Sept. 3. But demonstrators demanding change after 41 years of Omar Bongo's rule responded with violence, torching shops, a police station and the French consulate. All Ben Bongo's challengers allege stuffing of ballot boxes and "incomprehensible swelling of voter lists" and call for a recount, although they have so far offered no evidence of tampering.



Demonstrators tangle with paramilitary police in Urumqi on Sept. 3

3 | China

Xinjiang Unrest Continues

Two months after ethnic clashes left nearly 200 dead in China's restive northwest province, thousands of protesters massed in the capital of Urumqi following reports of a bizarre string of hypodermic-needle attacks on ethnic Chinese. According to state-run media—the main source of news in an area without reliable Internet access—five people were killed in the disturbance, which led to the ouster of a local Communist Party official; more than 500 reportedly sought treatment.

5 | Washington

A Full Plate on Capitol Hill

Members of Congress returned to a busy legislative session Sept. 8 following their summer recess. Their top priority: health-care reform, an issue lawmakers heard an earful about during raucous town-hall meetings in August. The key items this fall:



HEALTH CARE

Democrats and Republicans remain bitterly divided over a proposed overhaul of the massive industry



CLIMATE CHANGE

The House passed a controversial cap-and-trade emissions plan in June. Its fate in the Senate is uncertain



FEDERAL REGULATION

Lawmakers will consider tighter bank rules and an agency to protect consumers, but little action is expected



FEDERAL SPENDING

The Senate is due to approve \$1.2 trillion in funding for federal agencies before the fiscal year ends on Sept. 30

Numbers: **500**

Number of graduates from piracy-plagued Somalia's new naval academy

\$18

Estimated health-care savings if Americans cut their average daily sodium intake to 2,300 mg per day, according to a new Rand study



6 | North Korea

HIGH WATER, RISING TENSIONS North Korea marked its 61st anniversary Sept. 9 by vowing to "mercilessly annihilate the U.S. imperialists" in response to any aggression, just days after Pyongyang announced its continued pursuit of a uranium-enrichment program. The hermit state also opened a dam on the Imjin River without warning on Sept. 6, sending 40 million tons of water across the border into South Korea, where six people were swept away. Seoul has demanded an apology, calling the North's excuses for releasing the water "not acceptable."

7 | Afghanistan

Journalist Freed in Deadly Raid

New York Times reporter Stephen Farrell, a dual British-Irish national who had been taken hostage in northern Afghanistan by Taliban kidnappers Sept. 5, was freed in a daring early-morning strike by British commandos four days later. The gambit resulted in the death of Farrell's Afghan translator, Sultan Munadi. At least 16 journalists have been kidnapped in Afghanistan since January 2002. Farrell was also held hostage in Iraq in 2004.



Fishermen in southern Spain catch bluefin tuna by ensnaring them in a maze of nets

8 | Brussels

No Fishing

The European Commission is backing a proposal to ban the international sale of Atlantic bluefin tuna, a Mediterranean species depleted by decades of overfishing. An estimated 90% of Europe's bluefin tuna is exported to Japan, where voracious sushi consumption has driven the fish's population to dangerously low levels. The European Union is expected to formally support the measure this month.

9 | Washington

More Space Flight, Please

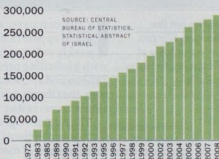
A blue-ribbon panel is pleading for a more robust space program in a preliminary report to the White House and NASA. Some recommendations: an extension for the International Space Station program and a boost of \$3 billion a year in NASA funding. The panel says the future of U.S. manned space flight is on an "unsustainable trajectory" and that the agency's annual budget of \$18 billion is not enough to support what "really is rocket science."

10 | Tel Aviv

No Settlement on Settlements

Israeli Prime Minister Benjamin Netanyahu approved plans for the construction of 455 additional housing units in the West Bank while saying Israel would consider a freeze on building in Palestinian-claimed territories afterward—a political compromise that displeased both Israeli hard-liners and Palestinians. The Obama Administration, which has pressured Israel to halt construction in order to kick-start stalled peace talks, expressed "regret" over the plans. Palestinian negotiator Saeb Erekat, meanwhile, dismissed talk of a moratorium, noting that Israel's decision to continue building "nullifies any effect that a settlement freeze, when and if announced, will have" on the peace process.

Number of Jewish settlers in the West Bank



★ | What They're Watching in Sweden:

Even more shocking than the content of *Dirty Diaries*—a collection of 12 short pornographic films that premiered in Stockholm on Sept. 3—is the source of the project's funding: Swedish taxpayers. Director Mia Engberg received \$70,000 from the Swedish Film Institute to depict "sexuality through a female's perspective"—a revelation that rankled conservative politicians and filmmakers alike.

35 MILLION Number of Americans who received food stamps in June—a record high and a 22% increase from the previous summer

\$1.3 BILLION

Amount spent by the British alcohol industry each year on advertising, according to the British Medical Association, which is calling for a ban on ads that promote drinking

Spotlight

Afghanistan's Elections



All over but the counting Workers sort ballot boxes at election headquarters in Kabul

IN THE OLD DAYS, AFGHAN PRESIDENT HAMID KARZAI would appear in his swooshing green cape for a weekly videoconference with George W. Bush. But with his flailing presidency seen as a big reason the Taliban and al-Qaeda are regaining ground in Afghanistan, the Obama Administration cut Karzai's White House access earlier this year.

The Aug. 20 Afghan elections were supposed to help fix that perception. Instead, they have been marred by allegations of massive ballot-stuffing, mainly (but not exclusively) by Karzai's supporters. Afghanistan's Electoral Complaints Commission has ordered a partial recount, citing "clear and convincing evidence of fraud." Still, whether Karzai wins outright or faces a runoff with his rival, former Foreign Minister Abdullah Abdullah, he will almost certainly be re-elected.

The problem is, Karzai's legitimacy is shot. Even before

allegations of vote-rigging, many Afghans were angry with him for his failure to curb corruption. The aid community has been dismayed by the warlords and drug traffickers infesting his government. And Washington is fed up with his duplicity and fecklessness. Even though he came to power on the back of a U.S.-led invasion, Karzai has portrayed himself as the one man willing to criticize coalition forces. "Karzai wants his legacy to be an Afghan leader who stood up against the foreigners," says Haroun Mir, director of Afghanistan's Center for Research and Policy Studies.

But Karzai could instead be remembered as the leader who drove away international support and plunged his country into chaos. Americans, tiring of bad news from Afghanistan, are asking why the U.S. should pour more troops in if they cannot make any headway against the Taliban and al-Qaeda or send billions more dollars if they vanish into the baggy pockets of Kabul officials.

But if the U.S. quits on Karzai, the results could be disastrous. "It will be dog-eat-dog here," says Ashraf Ghani, a U.S.-educated presidential contender. In the vacuum created by a U.S. pull-out, he argues, the Taliban would retake Kabul while millions of Afghans who embraced

Western promises of girls' education, democracy and a place for Afghanistan in the 21st century would flee the country.

Meanwhile, al-Qaeda would return on a red carpet. "All these fancy new villas in Kabul where the diplomats and the rich businessmen live? They'll go to al-Qaeda families," says Mir, adding that a "defeat" of U.S.-led forces would be a boon to Muslim extremists worldwide, much as the Soviet army's retreat from Afghanistan was during the 1980s.

To keep that from happening, Karzai needs to show results—fast. Afghans say he must dismiss corrupt officials, improve law and order and use foreign aid money to build long-promised roads, dams, bridges and schools. This would win back many Afghans and stall the Taliban's advance. But it wouldn't be easy. To secure victory in these elections, the President had to indebt himself to the very warlords who are strangling the country with their greed. —BY TIM MCGIRK/KABUL ■

726

Allegations of fraud and other serious offenses received by Afghanistan's Electoral Complaints Commission

Karzai's Dubious Landslide
Election fraud was believed to be heaviest in southern and eastern provinces—areas dominated by Karzai's fellow Pashtuns—where Taliban intimidation kept turnout low



Source: Independent Election Commission, preliminary results





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Verbatim

'You don't have a gun; that's good.'

RICHARD FULD, former Lehman Brothers CEO, to a reporter who tracked down Fuld at his Ketchum, Idaho, home

'This is something you'd expect to see in North Korea or in Saddam Hussein's Iraq.'

STEVE RUSSELL, a Republican state senator from Oklahoma, calling President Obama's televised back-to-school speech to children on Sept. 8 an attempt to create a "cult of personality"

'We asked ourselves what face we could give to the virus, and it couldn't be a pretty face.'

DIRK SILZ, creative director for Germany's new "AIDS Is a Mass Murderer" campaign, explaining the choice of Adolf Hitler as the virus's human embodiment

'We are talking about serious issues here, and this is not just a serious suggestion at all.'

STEVEN HAMBLETON, an Australian Medical Association executive, on a Queensland government advisory that doctors consume the equivalent of six cups of coffee to cope with fatigue

'There are more than 700 women still in the prison who have got no one to pay for them.'

LUBNA HUSSEIN, a Sudanese journalist convicted of wearing pants that were deemed "indecent" under Sudanese law. She was released from jail after her union paid a \$200 fine

'It becomes a "why bother" scenario.'

RICK ALEXANDER, a Florida carpenter, one of thousands of Americans who have given up searching for a job after months without success

'Unless somebody can find a way to change human nature, we will have more crises.'

ALAN GREENSPAN, former Federal Reserve chairman, arguing that the problems that caused the economic crisis are bound to recur



BACK & FORTH

Nuclear Arms

'Iran's nuclear capability will neutralize Israel's power.'

A.Q. KHAN, creator of Pakistan's nuclear-weapons program, saying he helped Iran develop a network of suppliers for nuclear-weapons materials years ago

'These are the views of a person who has been rendered ineffective, and his network has been completely shut up.'

NADEEM KIANI, a spokesman at the Pakistani embassy in Washington, stating that Pakistan is against "proliferation in the region"

Casualties of War

'The image told a story of sacrifice; it told a story of bravery.'

JOHN DANISZEWSKI, senior managing editor of the Associated Press, defending the agency's decision to run a photograph of Joshua Bernard, a U.S. Marine dying of wounds sustained in Afghanistan, against the wishes of Bernard's family

'Your lack of compassion and common sense in choosing to put this image ... on the front page of multiple American newspapers is appalling.'

ROBERT GATES, Defense Secretary, in a letter to the AP

LEXICON

Narcotecture *n.*—The architectural style favored by Afghan drug lords

USAGE: "Stylistically, **narcotecture** is incoherent and dizzyingly busy. Residences are composed of clashing globe-spanning elements: Asian pagoda tiers and eaves curving to points, Greek temple columns, mirrored skyscraper glass, medieval-castle balustrades and parapets."
—TrueSlant.com, Aug. 20, 2009

Brief History

Red Scares



EVEN BEFORE PRESIDENT BARACK OBAMA TOOK OFFICE, critics from John McCain to Joe the Plumber were painting him red. Amid the push for health-care reform, the attacks have intensified. Florida GOP chairman Jim Greer charged that Obama planned to "indoctrinate America's children to his socialist agenda" in a Sept. 8 back-to-school speech.

It's not the first time a phobia of socialism has made U.S. headlines. Since the early 20th century, few issues have stirred more political alarm. Facing a series of massive worker strikes in the years after the start of the Russian Revolution, U.S. Attorney General A. Mitchell Palmer and rising Justice Department star J. Edgar Hoover took on a "red menace" of radicals, anarchists and Bolsheviks. By 1920, the pair had arrested up to 10,000 alleged subversives. (Most cases were thrown out.) With the onset of the Cold War, fears flared anew. Indeed, the term *socialized medicine* was coined in the late 1940s by critics of President Harry Truman's national health-care plan. From 1945 to 1960, the House Un-American Activities Committee (HUAC)—which was founded in 1938 to hunt down suspected Nazi sympathizers—interrogated more than 3,000 people. And in 1950, Wisconsin Senator Joseph McCarthy launched his infamous witch hunts for communists in the Federal Government. When no evidence backing his charges emerged, the Senate censured him in 1954.

Red-baiting continued after the fall of the Soviet Union, albeit with its ardor considerably cooled. George H.W. Bush attacked Bill Clinton during the 1992 campaign for visiting Moscow as a student, and an old photo of John Kerry with the socialist President of Nicaragua haunted him in 2004. All of which means Obama might have to get used to this. —BY LAURA FITZPATRICK

Better dead than red A woman protests a Communist Party-sponsored May Day parade in New York City in 1952

FEAR FACTOR



1918 The House refuses to seat **Victor Berger**, the first Socialist elected to Congress

1921 In a controversial trial, Italian anarchists Nicola Sacco and Bartolomeo Vanzetti are convicted of murder

1947 Ten writers, producers and directors refuse to testify before HUAC—among the



scores of artists, including Lillian Hellman and Aaron Copland, blacklisted in Hollywood

1950 Alleging a worldwide communist conspiracy, the Internal Security Act authorizes detention centers in case of "emergency"

THE SKIMMER



Marx's General: The Revolutionary Life of Friedrich Engels

By Tristram Hunt; Metropolitan Books; 448 pages

FRIEDRICH ENGELS, THE son of a comfortable German family in the textile business who had been sent to work in Manchester, was just 24 when he wrote *The Condition of the Working Class in England*—a brilliant book whose subject would provide the factual underpinning to the analysis of capitalism that Engels and his friend Karl Marx later produced. Hunt, a British historian, details the way Marxism would not have been possible without Engels, an unlikely revolutionary who worked for years as a high-living, foxhunting capitalist to support Marx's endeavors—Engels' devotion was such that he even assumed the paternity of an illegitimate child of Marx's. Hunt shows how factionalism was endemic among 19th century radical groups, nurturing poisonous seeds whose harvest became clear only when communism turned from theory into murderous practice. But he reminds us, too, that Engels' great work on the misery of early industrial life is enough to explain why communist theory—and revolution—was once so appealing.

—BY MICHAEL ELLIOTT

READ
SKIM
TOSS

Milestones



Army Archerd

AS THE "TOWN CRIER OF HOLLYWOOD," Army Archerd made two simple requests of the celebrities he covered: "Give me a call" and "Don't let me read about it." Archerd, who died Sept. 8 at 87, spent more than half a century chronicling the industry's elite for *Daily Variety*. He interviewed

Humphrey Bogart on his deathbed, Marilyn Monroe (below, with Archerd) in her dressing room, Charlie Chaplin in the director's chair and nearly every other star in Tinseltown. For nearly 50 years, he also served as the official greeter at the Academy Awards—a role that helped earn him a star on the Hollywood Walk of Fame in 1984.

Though Archerd never thought of himself as "part of the scene," he counted among his friends screen legends like Paul Newman and Sidney Poitier. "I told him at an Oscar ceremony he was the most famous person here," says director Steven Spielberg. "He blushed." When longtime bachelor Warren Beatty finally tied the knot in 1992, Archerd got the exclusive in a call from the newlywed himself. His column

was short on sensationalism, but in 1985 Archerd broke what he later called "the biggest show-business story ever"—the news that actor Rock Hudson was dying of AIDS. The delicately worded item introduced a disease that most Americans had never heard of.

But he did not consider himself a gossip columnist; he preferred fact over rumor and straightforward prose over snark. His staccato dispatches almost always began with a cheerful "Good Morning." Toward the end of his career, after Archerd had traded in his typewriter for a computer,

Variety rechristened him "Hollywood's original blogger"—a title that perhaps best describes his tireless approach to covering what he called "the most exciting city in the world."

—BY M.J. STEPHEY



Nancy Talbot

NANCY TALBOT WAS THE DOYENNE of American mail-order fashion. Talbot, who died on Aug. 30 at 89 of complications from Alzheimer's disease, founded the eponymous clothing store and catalog business with her husband Rudolf in 1947. Together they created a style she described as "smart but not faddy, fash-

ionable but not funky, chic and understated."

Raised in Chicago, Talbot attended Radcliffe College before joining the Red Cross in 1941. She met her husband in France during World War II, and they took over his father's Hingham, Mass., clothing store in 1945. Two years

later, they renamed the store Talbots. Its red door would become the brand's signature.

To attract more customers, the Talbots unwittingly launched a catalog business in 1948 by sending a flyer to 3,000 people whose names they had culled from a *New Yorker* subscription list. Their timing was perfect. As shopping habits shifted, Talbots became a staple for suburban women.

In 1973 the couple sold their business to General Mills for \$6 million. Nancy stayed on as vice president, and her taste for bright colors and classic clothing continued to inform a brand that has become a billion-dollar empire, with devotees including First Ladies Barbara Bush and Michelle Obama.

—BY KATE BETTS



John Elson

The cover image for the April 8, 1966, issue of *TIME* was the first in the magazine's history to use only words: "Is God Dead?" The story brought a brimstone of controversy, but given the depth of the reporting, few could argue that the writer had not done his homework. "It would have been easier to do in the Middle Ages," John Elson said of the story. "Easier because they had a God then that was consistent." The pungent, witty remark was vintage Elson, who died on Sept. 7 at 78. In his four decades at *TIME*, Elson wrote more than a dozen cover stories and edited hundreds more. He had eclectic interests and a skepticism that had no patience for cant or showboaters. Budding editors had no better mentor. Elson once said the process of editing was the opposite of the American jurisprudence system, in that every writer was guilty until proved innocent. Then he would take the story from you, guilty until proved innocent.

—BY JIM KELLY

Kelly was *TIME*'s managing editor from 2001 to 2006





Joe

Klein

The Character Question. Obama's health-care speech was effective. What comes of it will say more about us than about him

"HERE ARE THE DETAILS THAT EVERY American needs to know about this plan," President Obama said at the beginning of his powerful health-care speech to Congress on Sept. 9. It was a sentence that many Americans had been waiting for—quite the opposite of much that has preceded it in this raucous debate—and he proceeded to lay out the elements of health-care reform that he considers essential. He did this clearly, concisely, using language that was mostly jargon-free—a triumph of speechwriting on this mind-numbing issue. It was also a fighting speech. Obama called the talk of death panels, started by the disgraceful Sarah Palin, "a lie, plain and simple," which drew explosive applause from the Democratic side of the aisle. He promised to "call out" those who told lies about the plan, a powerful threat when it comes from the President. Finally, it was a moving speech that addressed an aspect of health-care reform that is often forgotten—the moral responsibility that we have toward our fellow citizens—by reminding the Congress of who Ted Kennedy was and why this was so important to him. The President made health-care reform a national-character issue, which is precisely what it is.

I suspect the speech did its job. Congress will pass some form of health-care reform this year, probably something very close to what the President proposed. But it will not end the public malignancy that has attended this debate and threatens the democratic fabric of our nation.

A week before the Obama speech, I attended a town-hall meeting in Russellville, Ark., sponsored by Senator Blanche

Congress will pass some form of health reform this year, but that won't end the malignancy that has attended this debate

Lincoln, a moderate Democrat facing a tough re-election campaign—exactly the sort of Senator the President will need to get health-care reform passed. It was a vivid demonstration of the problems that Obama is facing, and not just on health care. About 900 overwhelmingly white and skeptical people showed up. The first question was about the so-called public option, and Lincoln's answer was gobbledygook: "I don't think we can afford a fully government-funded new entitlement program." Of course, no one has



proposed that the public option would offer a voluntary, government-run plan like Medicare to compete with private insurers. It would affect only those who buy insurance individually, a thin sliver of the general population. But it soon became clear that "public option" had become a synonym for "socialized medicine, like in Britain" in the minds of most of her audience, and that was why Lincoln offered the gobbledygook—it was an attempt to speak the same language as her electorate. The third question asked, "If the public option is passed, will Congress be covered under the same plan as average Americans?" At which point Lincoln accurately described what the public option was, thereby contradicting her earlier

formulation. It was all very confusing.

It soon became clear that most of Lincoln's audience didn't believe a word she said. She was asked if the bill would cover illegal immigrants and pay for abortions. She said no, it wouldn't. There was a chorus of boos. A man dressed in black yelled "Communist!" and continued to do so throughout the rest of the meeting, like a demented parrot. Indeed, as the meeting continued and the tone disintegrated, it became apparent that a majority of the audience thought the President of the United States was some sort of subversive, surrounding himself with czars and self-declared communists (like Van Jones, the now departed environmental aide who once, in a foolish fit of pique, did declare himself a red).

Two days later, I'm told, Lincoln faced an even larger audience in Jonesboro, Ark., and it was more of the same. A recent poll indicated that a plurality of Arkansans think Barack Obama is not a U.S. citizen and a clear majority, 55%, would prefer Rush Limbaugh's vision as President. This is an outlier, of course. Most Americans are more reasonable. A majority favors a public option, a strong majority favors health-care reform, and it's easy to envision both Obama and Lincoln turning this craziness to their advantage in 2010: "Because of us, the insurance companies can't take your coverage away when you get sick," they could say—if reform does pass—"and the Republicans fought against your best interests every step of the way." The Republicans could well find that their recalcitrance and ugly misinformation are a millstone in the next election.

But it is also possible that the Limbaugh- and Glenn Beck-inspired poison will spread from right-wing nutters to moderates and independents who are a necessary component of Obama's governing coalition. According to the polls, Obama has lost 20 points among independents in recent months. It would be a good thing if the President's speech turns the tide, and the remainder of this historic debate is conducted on higher ground, but I'm not sure that it will. As the man said, it is a test of our national character ... in more ways than one.

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Unemployment Nation

With nearly 10% of Americans idled, the country faces the prospect of long-term, double-digit unemployment. Even after growth returns, many jobs won't—which is why it's time for bolder action. How to get America working again

BY JOSHUA COOPER RAMO

IT WAS NOT A LESSON LAWRENCE SUMMERS MASTERED WITH great ease. But after nearly a decade working beside sphinx-like Alan Greenspan, and having watched his own tenure as president of Harvard cut short by a phrase that slipped too nimbly from brain to mouth, Summers, director of the President's National Economic Council, has become a restrained public man. Gone are the days when he would glibly compare flailing financial markets to jet crashes, as he did to *TIME* in 1999. He is mindful of how ill-considered asides by policymakers can cause financial-market angina. So you can probably imagine the ripple that ran through the Peterson Institute for International Economics in Washington in July when Summers looked up from his prepared speech, flashed a grin and loosed the sort of utterance that once upon a time marked imminent indiscretion. "There was," he told the room, "a fight about whether I was allowed to say this now that I work in the White House."

What Summers proceeded to offer was, in fact, an unusually candid insight. And though couched in jargon, it was an insider's confession of why our present economic moment is fraught with both danger and opportunity. There appears to be, Summers told the suddenly very attentive crowd, a strange bit of physics working itself out in our economy. The problem is related to a hiccup in an economic rule called Okun's law. First mooted by economist Arthur Okun in 1962, the law (it's really more of a rule of thumb) says that when the economy grows, it produces jobs at a predictable rate, and when it shrinks, it sheds them at a similarly regular pace. It's a labor version of how the accelerator on your car works: add gas, go faster; less gas, go slower.

What made Summers' frank comment important is that it suggests this just-add-gas relationship may now be malfunctioning. The American economy has been shedding jobs much, much faster than Okun's law predicts. According to that rough rule, we should be at about 8.5% unemployment today, not slipping toward 10%. Something new and possibly strange seems to be happening in this recession. Something unpredicted by the experts. "I don't think," Summers told the Peterson Institute crowd—deviating again from his text—"that anyone fully understands this phenomenon." And that raises some worrying questions. Will creating jobs be that much slower too? Will

What It Means to Be Out of Work

Coping with bills due, dreams deferred and the need to plot a new life

EMILY MCMILLAN, 27

Property manager

Laid off in August.

Pregnant. Her husband has a job at a credit

union. But plans to buy a house may have to hold

KURT DUNLAP, 57

Construction supervisor

After losing his \$95,000

job this winter, he stays

busy volunteering at a food bank and writing a

crime novel. Willing to

work at half his old pay

ROSHONDA CRENSHAW, 32

Customer service

"It used to be you could float from job to job," she

says, but after a year without one, she plans

to switch to something "recession-proof": nursing



double-digit unemployment persist even after we emerge from this recession? Has the idea of full employment rather suddenly become antiquated? Is there something fundamentally broken in the heart of our economy? And if so, how can we fix it?

The Labor Conundrum

THE SPEED OF AMERICA'S NOW HISTORIC EMPLOYMENT CONTRACTION reflects how puzzling this economic slide has been. Recall that the crisis has included assurances from the chairman of the Federal Reserve that it was over when in fact it was just getting started and a confession from a former Fed chairman that much of what he thought was true for decades now appears to be wrong. Nowhere is this bafflement clearer than in the area of employment.

When compiling the "worst case" for stress-testing American banks last winter, policymakers figured the most chilling scenario for unemployment in 2009 was 8.9%—a figure we breezed past in May. From December 2007 to August 2009, the economy jettisoned nearly 7 million jobs, according to the Bureau of Labor Statistics. That's a 5% decrease in the total number of jobs, a drop that hasn't occurred since the end of World War II. The number of long-term unemployed, people who have been out of work for more than 27 weeks, was the highest since the BLS began recording the number in 1948. Jobless figures

released Sept. 4 showed a 9.7% unemployment rate, pushing the U.S.—unthinkably—ahead of Europe, with 9.5%.

America now faces the direst employment landscape since the Depression. It's troubling not simply for its sheer scale but also because the labor market, shaped by globalization and technology and financial meltdown, may be fundamentally different from anything we've seen before. And if the result is that we're stuck with persistent 9%-to-11% unemployment for a while—a range whose mathematical congruence with that other 9/11 is impossible to miss—we may be looking at a problem that will define the first term of Barack Obama's presidency the way the original 9/11 defined George W. Bush's. Like that 9/11, this one demands a careful refiguring of some of the most basic tenets of national policy. And just as the shock of Sept. 11 prompted long-overdue (and still not cemented) reforms in intelligence and defense, the jobs crisis will force us to examine a climate that has been deteriorating for years. The total number of nonfarm jobs in the U.S. economy is about the same now—roughly 131 million—as it was in 1999. And the Federal Reserve is predicting moderate growth at best. That means more than a decade without real employment expansion.

We're a long way from Hoovervilles, of course. But it's not hard to imagine, if we're not careful, a country sprouting listless Obamavilles: idled workers minivaning aimlessly through

LORNA GEORGE, 52

Counselor

George earned \$9 an hour helping mentally impaired people. But that was before she was hit by a car, developed a cocaine addiction and lost her job. She hopes to become a social worker one day. In the meantime, she relies on Medicare and \$723 a month in disability

JAMES BOOTH, 45

Sales manager

Booth worked for a beer distributor for 18 years before losing his \$62,000-a-year job. This is the first time he's applied for unemployment. He has sent his résumé to every company he knows. His wife is a teacher whose health benefits cover the couple and their son, 17

YUSEF DAVIS, 22

Forklift operator

Davis will take any sort of work, from cook to concrete layer. He lost his \$11-an-hour job at a retail warehouse in August. "Before, it was hard to find a job," he says. Now it's worse. Wife Tandra (holding baby Laila) just got them health insurance through her hospital job



overleveraged cul-de-sacs with no way to pay their mortgages, no health care, little hope of meaningful work and only the hot comfort of angry politics.

This is why the problem of how America works needs to become the focus of an urgent national debate. The jobs crisis offers an opportunity to think in profound ways about how and why we work, about what makes employment satisfying, about the jobs Americans can and should do best. But the ideas Washington has delivered so far are insufficient. They reflect a pre-9%-11% way of thinking as much as old defense policy reflected a pre-9/11 notion of who our enemies were. The funding for job creation in the American Recovery and Reinvestment Act was based on an assumed 8.9% unemployment rate. Now 15% is a realistic possibility. And yet we're hearing few interesting ideas about how to enhance America's already groaning unemployment support system as millions of Americans sit idle. Tangled in the debate over health care—and bleeding political capital—the White House may find itself too weak and distracted to deal with the danger of joblessness.

We can't afford to wait. The longer someone is unemployed, the harder it is to get back to work, a fact as true for the nation as it is for you and me. As the Peterson Institute's Jacob Kirkegaard explains, "It is entirely possible that what started as a cyclical rise in unemployment could end up as an entrenched problem."

Past crises have illustrated that lesson: the longer you wait, the harder it is to contain. This is as true for joblessness as it was for subprime mortgages, al-Qaeda and computer viruses.

Right Man, Right Time

BY ONE OF THOSE STRANGE SULLY SULLENBERGER COLLISIONS of preparation and crisis—the sort that put Depression expert Ben Bernanke in at the Fed at the moment of a flameout of 1930s magnitude—Larry Summers made his reputation as an employment theorist. Summers is the nephew of two Nobel economists and was regarded as the smartest undergrad anyone knew, but as he surveyed his research options 30 years ago, he settled on the then relatively unsexy specialty of labor. The subject tickled his sense of skepticism. "The view that was taking hold at that time, a view that unemployment wasn't a terribly serious problem, was importantly wrong," Summers says. "I thought if you could have areas where there was long-term substantial unemployment, then that raised some questions about the functioning of markets." In essence, Summers saw in unemployment a chance to explore how markets don't work—and to think about policies that could correct for the failures. Perfect training for 2009.

Many of the ideas Summers developed were codified in a 1986 article titled "Hysteresis and the European Unemployment



DIANA STASKO, 40
Consumer rep

Stasko turned to her sewing business after leaving a high-paying job as a consumer rep for a power-bar company. She has been looking for work as a video editor since January. "I feel trapped at home obsessively checking job boards," she says. "And it doesn't work."

JOHN HATTEN, 58
Brain-injury counselor

Health care is where job growth is supposed to be, but don't tell that to Hatten. Out of work for the past year and a half, he has contacted almost every one of the institutions in the San Francisco area that provide therapy for people with serious brain injuries.

APRIL DELGADO, 29
Special-needs aide

A prenursing student, Delgado worked with the developmentally disabled until her position was cut in June. She found part-time work as a cashier. "I'm very good at customer service, and working with children has always been fun," she says.



Problem." Even today it's a piece he's proud of: "Ah, yeah, the hysteresis article," he interjects when it's mentioned. *Hysteresis* is a word that you (and the rest of us) should hope we don't hear too much of in the coming months. It comes from the Greek *husteros*, which means late. It refers to what happens when something snaps in such a way that it can never be put back together. Bend a plastic ruler too far, drop that lightbulb—that cracking sound you hear is the marker of hysteresis. There's no way to restore what has just been smashed.

The idea that hysteresis happens to economies is one that economists don't like to think about. They prefer to consider economies as yo-yos tethered to the sturdy string of the business cycle, moving up and down from growth to slowdown and back. But from time to time, things do snap. And Summers' argument in 1986 was that unemployment in Europe, the sort that might persist in the face of growth, was an expression of an economy that had snapped. Europe's economy was hit not only by shocks like an oil-price spike, a productivity collapse and rocketing tax rates but also by stubborn unions that made hiring, firing and adjusting payrolls near impossible.

Hysteresis, Summers explained, could come from all sorts of shocks like this. And that may be what is playing out in the U.S. If you look at the three great job busts of the past 100 years—the 1930s, the early 1980s and today—you find an important difference. The Reagan recession ended with workers returning to jobs that were the same as or similar to the ones they had lost. But 1930s joblessness was structural. The jobs people lost—largely in agriculture—never came back. Workers had to move to the

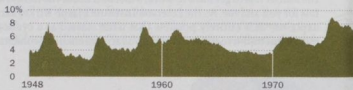
A Geography Of Jobs

The jobless rate is 9.7% nationally but lower in the South. Car-centric Detroit lags, but so does Charlotte, N.C., a banking town



National unemployment rate

Seasonally adjusted, for ages 16 and older



Note: State and metro-area rates are from July 2009; industry rates are from August 2009

CARLTON RAYBON, 54

Tire installer
Well-paying manufacturing jobs like the one Raybon lost in July—inspecting and installing tires for Firestone—are disappearing. He used to make \$23 an hour. Now he's looking at \$12.50 if he's lucky. "Sometimes you have to humble yourself," he says

ERIC CARTER, 27

Video-game producer
Carter's job producing online video games went south after his company went bust in June. He has been seeking a similar position. He and his wife are "couch surfing" with friends until one of them lands a steady job that pays enough for them to afford their own place

MESRE TESHOME, 28

Warehouse worker
Teshome was laid off from her job packing at a furniture warehouse in April. A refugee from Ethiopia, she is divorced with two young children and does not have health insurance. Ideally, she would like to start her own business, but right now she'd take any job at all





Industries in decline

Highest unemployment rates, by industry

22.5%

Furniture-manufacturing

16.5%

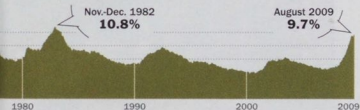
Construction

16.2%

Transportation-equipment-manufacturing

15.8%

Administration and support services



Source: Bureau of Labor Statistics

industrial sector, a transition helped by the demands of a war. It was massive national hysteresis. Sound familiar? "A lot of the jobs that have been lost will never come back," the Peterson Institute's Kirkegaard says. Which means that hiccup in Okun's law is a warning: growth alone won't employ America again.

Cash for Clunker Careers

WHAT TO DO? IF YOUR GOAL IS TO CREATE JOBS, YOU HAVE TWO choices—and one painful fact—to confront. The painful fact is that the 1930s option, to have the government directly employ millions of people in labor fronts, is not an option today. "There's no way to create real jobs using this approach," says Harvard professor Roberto Mangabeira Unger. In the 1930s, you could throw 10,000 people with shovels at dam or road projects. Today the work of 10,000 shovels is done by a few machines—and it was a lot easier to persuade farmers to switch to ditchdigging than it would be to get laid-off hedge-fund traders to switch to sewer repair, appealing as such an idea might be.

So if the government can't hire everyone, where will jobs come from? One option would be to rely on traditional strategies: if we create demand through growth, cheap money and massive government spending, then some jobs will return. In the meantime, train people for whatever work they can get—fast food, nursing, you name it. But if we're in a posthysteresis world, then just adding gas to the economy won't be enough, and making cheap low-end jobs won't deliver a workforce capable of sustaining competitive growth. "There's no use making economic change if you don't have human agents who can take advantage of it," Unger explains.

THE SULLIVANS

Lawyer, manager

The recession's reach into the professional ranks first got Kathy, 38, who lost her job at a digital imaging firm in April. Charlie, 40, was cut by a law firm in August. He is selling his BMW 530; the couple, expecting their first child, are moving in with Kathy's mother

LINDSAY BLACKBURN, 19

Retail-sales clerk

The clothing boutique where Blackburn worked where Blackburn worked went out of business five months ago, and she has yet to find a replacement job. Until she does, she won't be able to realize her goal of going to college to study fashion design

AKBERALI JIVANI, 64

Cashier

Jivani was laid off from his job at a convenience store in May. He got another cashier job, but a new manager let him go in July. He wants work, but "right now the employers don't have any," he says. Separated from his wife, he is living at a friend's house

LEANNE MAXWELL, 35

Graphic designer

Maxwell has been job-hunting since February, after she left her position as a designer for a home-building magazine. Fortunately, Maxwell's husband has a job with health-care benefits that will cover the delivery costs for the baby they are expecting in December



The alternative would involve reshaping what it means to work in America. Such a plan would start by changing what it means to be jobless. To begin with, this would require a massive increase in job retraining, one that assured that every laid-off worker had a chance to learn a new skill and years of funding to master it—instead of the six-month shots now generally offered. The Administration's proposal to increase funding to community colleges is a start. But it's only a start. Ideally, the White House needs to propose an omnibus employment-emergency bill that guarantees jobless workers a basic set of rights for two to three years: health care, access to retraining, subsidized mentoring for careers in high-end manufacturing or health services. Handled well, such a program could be a "cash for clunker careers." Obama should also bring together innovative minds in technology and service—the people who run consumer-driven businesses like Disney and Google—to find ways to make the process of being unemployed less of a bureaucratic and emotional mess.

But we've also got to take a careful look at how jobs are created—and what sorts of jobs Americans want to do. The most likely sources of job growth in the next few years are going to be confined to health care, education and restaurant/hospitality services. But we can't nurse, teach and barista our way to real national power. Service jobs alone can't support growth and innovation—which will be essential as we struggle to pay off a historic national debt and fund the retirement of the baby boomers. So in addition to a retraining push, a sensible set of policies would shift the landscape of job creation. It would transfer money out of Wall Street and into community lending to encourage the formation of new companies. It would create local business pods in which neighbors ask, What do we do well here, and how can we do it better? Some of the world's most skilled machinists live in the American Midwest. But their skills are geared to a dying auto industry, and with no bank credit for start-ups and no way to organize, they have no chance to transform themselves into a workforce for globally competitive precision manufacturing firms.

Is there really a demand for machinists? Yes—even in a recession. One rough calculation found that about a million high-skilled jobs remain unfilled. This is why a fresh approach to job-making, one that focuses on mastery of skills instead of simple button-pushing, matters. "If we go back to the old ways," says sociologist Richard Sennett, who has probably studied the quality of American working life as thoroughly as any other scholar in the past few decades, "we just go back to a very unsustainable path."

The President's advisers grasp the urgency of the task. "Would I like Americans to be more skilled?" Summers muses. "Yes. Would I like to be able to increase skill faster than is likely to be possible? Sure. Would I like a larger fraction of good entrepreneurial ideas to happen in the U.S.? Of course. There are millions of people who need work." But Summers need only read his own research to recall that traditional government policies are not going to pull us out of the job trap.

One of the tropes about Bush's 9/11 and the wars that followed was that they conveniently allowed him to deal with problems bedeviling his young Administration: a lack of focus, difficulty reforming the U.S. military, trouble articulating a global vision. Obama now faces a host of problems of his own: weakening political will, an inevitable "What next?" after health care, a base that has lost energy. His 9/11 is just the sort of transcendent issue that can reconnect him to the theme of hope and change. A tough challenge? You bet. But as Obama's presidency unfolds, it will be the most vital one for him to meet. ■

Ramo is managing director of Kissinger Associates and author of The Age of the Unthinkable



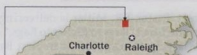
Sunday in Roxboro

When Brian Whitfield, center, lost his job, it affected not just his wife Debbie and son Logan but also some fellow citizens

The Ripple Effect

How a single layoff reverberates around one community's economy—and why the impact could last for years

BY MASSIMO CALABRESI/ROXBORO



Person County, North Carolina

Population	37,438
Unemployment rate	12%
Median annual household income	\$45,254
Median home value	\$123,106

Unemployment rate as of Aug. 11; all other figures from 2008.
Sources: Census Bureau; Bureau of Labor Statistics; North Carolina Department of Commerce

ones. Rolling unemployment allows businesses to adjust to demand, improving efficiency and fueling growth. A healthy economy compensates job losers by creating new jobs for them. America's economic athleticism has been the envy of other countries, a key to its success.

But the sharp shock of the 2008 financial crisis paralyzed the U.S. economy. Mass layoffs have been at a record high, flooding the labor market with job hunters. Six years of manufacturing job losses were compressed into 18 months, overwhelming retraining programs. The collapse of home values and the tightening of credit make worker mobility a moot issue. Instead of connecting the jobless to new jobs, the employment system has seized up. After 33 weeks of searching for work, Whitfield is looking warily to December, when his unemployment insurance ends.

In an unhealthy economy, a single lost job becomes infectious, combining with others and spreading through family, neighborhood and community. Widespread cutbacks in spending by families mean lower demand for businesses and lower tax revenues for the government. This belt-tightening means fewer car sales and thus fewer jobs for car-part makers. It means less government spending on infrastructure and other public services, including economic development. The sum effect is less available work for job seekers—a perfect vicious circle. For a well-educated job loser like Whitfield, it can mean a permanent drop in earning power and standard of living—a reversal of the American Dream.

One Lost Job

SUNDAY MORNING IN ROXBORO, THE streets are empty, but the church parking lots are full: it seems as if every one of the town's 8,876 residents is at services. At the United Methodist Church on North Main

THE EATON MANUFACTURING plant in Roxboro, N.C., makes a 3-in. gadget called a lash adjuster that keeps pressure constant on engine valves, increasing fuel efficiency. Last year Brian Whitfield, a supply-chain analyst at the factory, had plenty of work scheduling orders for raw materials, components and packaging. But with the collapse of GM and Chrysler, business ground to a halt, and when Whitfield arrived at his cubicle on Jan. 20, he found an e-mail from management announcing layoffs. He looked around and saw people leaving, carrying boxes. Then his boss called him into the conference room. "Basically it was, 'Sorry, we're going to have to let you go due to sales,'" says Whitfield, 40. He returned to his cubicle with a packet of information about his severance benefits. He dropped it on his desk. He stared at his computer

for a few minutes. "Then I just got up and left," he says.

The first week of unemployment was hard to take. Fortunately, Whitfield has a wife, Debbie, who earns \$39,000 a year as an accountant for the local county government. The couple didn't have to worry about losing their cozy, well-kept home or being able to take care of their 4-year-old son Logan. After Brian's eight-week severance ran out, he started collecting unemployment insurance and the Whitfields began reining in spending to cover what they expect will be a 40% drop in income this year.

Though it has been painful for him, Whitfield's lost job should have had little effect beyond his immediate family. One lost job is a microscopic event in the massive organism of the U.S. economy. In good times, America sheds 2.5 million jobs a month but creates nearly 3 million new

Street, Pastor T.R. Miller is delivering a sermon titled "Rags to Riches to Rags." At the largely African-American First Baptist Church on the other side of Durham Road, the choir is singing "I'd rather have Jesus than silver and gold" so loudly you can hear it in the parking lot.

In the second-to-last row of Roxboro Baptist, the Whitfields try to listen to the sermon, but Brian's mind wanders. Last autumn, Debbie warned Brian that the ax might fall. She grew up in Flint, Mich., the granddaughter of a man who participated in the landmark 1936-37 sit-down strike at GM's Fisher body plant that established industrial-labor-organizing rights in America. But she saw her father and uncle go down with the automakers. "When they shut down the Fisher plant [in 1987], everything within a two-to-three-block radius closed down: bars, restaurants, gas stations, banks. Because I lived through the '80s up there in Flint, I just had a feeling that something wasn't right," she says. Since December, Eaton has idled 99 of its 289 Roxboro employees.

After he lost his job, Brian went to the Roxboro office of North Carolina's Employment Security Commission and met with Roxie Russell, the branch manager. She suggested that he go back to school. Even if Brian could afford it, he doesn't want to start a two-year M.B.A. program only to drop it when a job comes along. He has focused his efforts instead on looking for work, so far without success. He keeps his spirits up by looking after Logan and coaching Little League.

In the meantime, the family is trying to save. Brian's father, a barber with a shop opposite the courthouse, has some farmland outside of town. Brian planted a garden and takes home vegetables; Debbie calculates that they have shaved \$125 a month off their grocery bill, but most of their savings come from other cutbacks. They dropped their membership at the local country club, saving \$110 a month. They no longer spend \$350 to \$400 per month on babysitting now that Brian looks after Logan. Their weekly dinner date? Gone, saving another \$175 or so per month.

The Whitfields aren't the only ones scrimping in Roxboro. Roy Waldron, a pipe fitter, has stopped going out to dinner with his wife Judy since losing his job in February. Tommy Woods, a former forklift operator, says he is collecting aluminum cans to get gas money to drive to job interviews.

The list goes on: Russell, the elegant, no-nonsense employment-office manager, says traffic to her office increased 13% over the past 12 months. Of the county's 19,510 workers, 2,358 were unemployed

as of Aug. 13—a rate of 12%. More cuts may be on the way. Aleris International, a manufacturer of rolled aluminum that employs 149 at its Roxboro plant, filed for Chapter 11 bankruptcy protection in February. Charter Communications, which has 14 working for it in Roxboro, followed suit in March. "People are afraid to spend their money now," says Marcia O'Neil, head of the Roxboro Area Chamber of Commerce.

The imposed frugality in Roxboro goes directly to Brad Rogers' bottom line. He and his wife Betty opened a popular Golden Corral franchise just south of unemployment services on Durham Road in 1999. Everyone from the town's low-skilled workers to the city elders goes there, drawn by the \$9.99 all-you-can-eat

Roxie Russell, manager of unemployment services for Person County, says traffic to her office is up 13%

buffet and the slogan **HELP YOURSELF TO HAPPINESS**. This year the Whitfields, the Waldrons and many others aren't: sales are down 2.5% this year, and it would be worse, says Rogers, if he hadn't launched a big coupon push. But that's eaten into profits, which dropped 63% over the past two years and are on track to do the same this year.

To stay in the black, the Rogerses cut all worker hours 10% at the beginning of August, which saved jobs but lowered the wage dollars available to the community. Rogers isn't even the worst off—his cheap buffet can still fit into many tight budgets. O'Neil says other restaurant owners in town tell her they're down 25% in 2009. Big Al's diner closed in February.

In the bigger picture, though, consider a GM dealership that was run by three brothers and closed down in November 2008, taking with it 26 jobs. One brother, John Boyette, moved out of town in search of work, while another, Norman, is selling used cars for a dealer in Cary, 50 miles away. "We're getting along the best we can now," says Norman. It's axiomatic that if the local dealership can't sell cars, then GM doesn't need as many parts from Eaton, which then doesn't need as many Brian Whitfields.

The Scramble to Cut Back

COMPARED TO OTHER PARTS OF THE COUNTRY, Person County's 39,000 residents are actually fortunate. Forty miles south of Roxboro is Research Triangle Park, near Durham, where growth has been led by innovation and the unemployment rate is a mere 6%; 51% of Person County's workforce travels to Durham County for jobs, and that helped soften Person's economic woes in the past.

But the previous downturns were not as severe as this one. Decreased spending at places like Golden Corral has gone straight to the county budget's bottom line. This year's sales-tax revenues are projected to drop 10% from last year. Overall revenue is expected to fall 9%, or \$5,528,022. Capital projects have been hit. The county had planned to renovate the courthouse, an elegant 1930 brick building that sits in a square off Main Street and has a workmanlike modern extension off the back. At a meeting in May, the county council decided to delay the project.

In that, the county joined a troubling national trend: the collapse of construction spending. Job losses in construction have been a key amplifier of the ripple effect in this recession. In 2007 there were 175 new private residential building permits issued in Person County; as of late last month, the number was 50.

With folks forgoing vacations, Hyco Lake, 10 miles north of Roxboro, was a busier place this summer. It's a man-made lake that actually serves a business purpose. The south end of Hyco Lake feeds cooling water to a massive power plant owned by Progress Energy. The plant employs 268 people and generates up to 2,425 MW of electricity. In January, just after he was laid off, Whitfield called human resources at Progress to see about a job. The Roxboro power plant employs six supply-chain analysts, says Harry Sideris, the plant manager, but he doesn't need any more. Even if he did, Sideris says, Progress has a soft hiring freeze in effect and is filling only essential positions.

Progress also has a plan to sell synthetic gypsum, a by-product of its newly installed pollution-reducing stack scrubbers, to a plant that was scheduled to be built this year by wallboard maker CertainTeed. Gypsum is a critical component of wallboard, which is a critical component of housing construction. You know where that story goes. Because construction has collapsed, CertainTeed has postponed the wallboard plant until 2011.

That's too bad, because according to John Donaldson, president of CertainTeed Gypsum, the plant would have needed a supply-chain analyst. Someone like Brian Whitfield. ■



doing dishes

could be a splash...and is just one of the daily activities you may be able to do with less pain and stiffness.

Give your joints a chance and see how HUMIRA may help reduce pain and slow further joint damage from moderate to severe rheumatoid arthritis.

HUMIRA is used to reduce the signs and symptoms of moderate to severe rheumatoid arthritis in adults, may prevent further damage to your bones and joints, and may help your ability to perform daily activities. HUMIRA can be used alone or with methotrexate or with certain other medicines.

HUMIRA is taken by injection and is available by prescription only.

HUMIRA is not for everyone. Only your doctor can decide if HUMIRA is right for you.

Serious infections have happened in patients taking HUMIRA. These infections include tuberculosis (TB) and infections caused by viruses, fungi, or bacteria that have spread throughout the body. Some of these serious infections have been fatal.

Patients treated with HUMIRA also may be at risk for other serious side effects including certain types of cancers, allergic reactions, hepatitis B virus reactivation, nervous system problems, blood problems, heart failure, and certain immune reactions, including a lupus-like syndrome.

Talk to your Rheumatologist today.
Learn more at go.humira.com or call 1.877.6HUMIRA

Important Safety Information You Should Know About HUMIRA® (adalimumab)

Serious infections have happened in patients taking HUMIRA. These infections include tuberculosis (TB) and infections caused by viruses, fungi, or bacteria that have spread throughout the body. Some patients have died from these infections. Your doctor should test you for TB before starting HUMIRA, and monitor you closely for signs and symptoms of TB during treatment with HUMIRA.

Before starting HUMIRA: You should not start taking HUMIRA if you have any kind of infection. Tell your doctor if you think you have an infection, are being treated for an infection, have signs of an infection (such as a fever, cough, or flu-like symptoms), have any open cuts or sores on your body, or get a lot of infections or have infections that keep coming back. Tell your doctor if you have diabetes, have TB or have been in close contact with someone with TB, were born in, lived in, or traveled to countries where there is more risk for getting TB, live or have lived in certain parts of the country (such as the Ohio and Mississippi River valleys) where there is an increased risk for getting certain kinds of fungal infections (histoplasmosis, coccidioidomycosis, or blastomycosis), have or have had hepatitis B, use the medicine Kineret (anakinra), or are scheduled to have major surgery. Tell your doctor if you have any numbness or tingling, or have a disease that affects your nervous system such as multiple sclerosis or Guillain-Barré syndrome, have heart failure or other heart conditions, are pregnant, become pregnant, plan to become pregnant or are breastfeeding. Tell your doctor if you are allergic to HUMIRA or any of its ingredients or are allergic to rubber or latex. The needle cover of the prefilled syringe and the pen contain dry, natural rubber. Also, tell your doctor if you have recently received or are scheduled for any vaccines. Except for live vaccines, patients may still receive vaccines while on HUMIRA. It is recommended that children with juvenile idiopathic arthritis be brought up to date with all immunizations prior to starting HUMIRA. **After starting HUMIRA:** Call your doctor right away if you have an infection, or any sign of an infection, including a fever, feeling very tired, cough, flu-like symptoms, warm, red or painful skin, or if you have any open cuts or sores on your body. HUMIRA can make you more likely to get infections or make any infection that you may have worse. **Possible side effects of HUMIRA:** Serious side effects, which sometimes lead to death, have happened in patients taking HUMIRA. **Serious infections.** These infections include TB and infections caused by

viruses, fungi, or bacteria. Your doctor will examine you for TB and perform a test to see if you have TB. If your doctor feels that you are at risk for TB, you may be treated with medicine for TB before you begin treatment with HUMIRA and during treatment with HUMIRA. Even if your TB test is negative your doctor should carefully monitor you for TB infections while you are taking HUMIRA. Patients who had a negative TB skin test before receiving HUMIRA have developed active TB. Tell your doctor if you have any of the following symptoms while taking or after taking HUMIRA: cough, low-grade fever, weight loss, or loss of body fat and muscle. **Certain types of cancer.** There have been cases of certain kinds of cancer in patients taking HUMIRA or other TNF blockers. Patients with RA, especially more serious RA, may have a higher chance for getting a kind of cancer called lymphoma. Some patients receiving HUMIRA have developed types of cancer called non-melanoma skin cancer (basal cell cancer and squamous cell cancer of the skin), which are generally not life threatening if treated. Tell your doctor if you have a bump or open sore that doesn't heal. **Allergic reactions.** Signs of a serious allergic reaction include skin rash, a swollen face, or trouble breathing. **Hepatitis B virus reactivation in patients who carry the virus in their blood.** Tell your doctor if you have any of the following symptoms: feel unwell, poor appetite, fatigue, fever, rash, or joint pain. **Nervous system problems.** Signs and symptoms include numbness or tingling, problems with your vision, weakness in your arms or legs, and dizziness. **Blood problems.** Symptoms include a fever that does not go away, bruising or bleeding very easily, or looking very pale. **New heart failure or worsening heart failure you already have.** Symptoms include shortness of breath or swelling of your ankles or feet, or sudden weight gain. **Immune reactions including a lupus-like syndrome.** Symptoms include chest discomfort or pain that does not go away, shortness of breath, joint pain, or rash on your cheeks or arms that gets worse in the sun. **Call your doctor or get medical care right away if you develop any of the above symptoms.** Your treatment with HUMIRA may be stopped. **Common side effects of HUMIRA are:** injection site reactions (redness, rash, swelling, itching, or bruising), **upper respiratory infections** (sinus infections), **headaches, rash, and nausea.** These are not all the side effects with HUMIRA. Ask your doctor or pharmacist for more information.

If you cannot afford your medication, contact: www.pparx.org or call the toll-free phone number (1-888-4PPA-NOW) for assistance.

You are encouraged to report negative side effects of prescription drugs to the FDA. Visit www.fda.gov/medwatch, or call 1-800-FDA-1088.

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Please see adjacent pages for product brief summary.

HUMIRA®
(adalimumab)

CONSUMER BRIEF SUMMARY
CONSULT PACKAGE INSERT FOR FULL PRESCRIBING
INFORMATION

HUMIRA® (HU-MARE-AH)(adalimumab)

Patient Information

Read the Medication Guide that comes with HUMIRA before you start taking it and each time you get a refill. There may be new information. This brief summary does not take the place of talking with your doctor about your medical condition or treatment with HUMIRA.

What is the most important information I should know about HUMIRA?

HUMIRA is a medicine that affects your immune system. HUMIRA can lower the ability of the immune system to fight infections. **Serious infections have happened in patients taking HUMIRA. These infections include tuberculosis (TB) and infections caused by viruses, fungi or bacteria that have spread throughout the body. Some patients have died from these infections.**

- Your doctor should test you for TB before starting HUMIRA.
- Your doctor should monitor you closely for signs and symptoms of TB during treatment with HUMIRA.

Before starting HUMIRA, tell your doctor if you:

- think you have an infection. You should not start taking HUMIRA if you have any kind of infection.
- are being treated for an infection
- have signs of an infection, such as a fever, cough, or flu-like symptoms
- have any open cuts or sores on your body
- get a lot of infections or have infections that keep coming back
- have diabetes
- have TB, or have been in close contact with someone with TB
- were born in, lived in, or traveled to countries where there is more risk for getting TB. Ask your doctor if you are not sure.
- live or have lived in certain parts of the country (such as the Ohio and Mississippi River valleys) where there is an increased risk for getting certain kinds of fungal infections (histoplasmosis, coccidioidomycosis, or blastomycosis). If you do not know if you have lived in an area where histoplasmosis, coccidioidomycosis, or blastomycosis is common, ask your doctor.
- have or have had hepatitis B
- use the medicine Kineret (anakinra). You may have a higher chance for serious infections and a low white blood cell count when taking HUMIRA with Kineret.
- are scheduled to have major surgery

After starting HUMIRA, call your doctor right away if you have an infection, or any sign of an infection, including:

- a fever
- feel very tired
- a cough
- flu-like symptoms
- warm, red, or painful skin
- open cuts or sores on your body

HUMIRA can make you more likely to get infections or make any infection that you may have worse.

What is HUMIRA?

HUMIRA is a medicine called a Tumor Necrosis Factor (TNF) blocker. HUMIRA is used in adults or children (as indicated to:

- **Reduce the signs and symptoms of:**
 - **moderate to severe rheumatoid arthritis (RA)** in adults. HUMIRA can be used alone or with methotrexate or with certain other medicines. HUMIRA may prevent further damage to your bones and joints and may help your ability to perform daily activities.
 - **moderate to severe polyarticular juvenile idiopathic arthritis (JIA)** in children 4 years of age and older. HUMIRA can be used alone or with methotrexate or with certain other medicines.
 - **psoriatic arthritis (PsA).** HUMIRA can be used alone or with certain other medicines. HUMIRA may prevent further damage to your bones and joints and may help your ability to perform daily activities.
 - **ankylosing spondylitis (AS)**
 - **moderate to severe Crohn's disease (CD)** in adults who have not responded well to other treatments.
- **Treat moderate to severe chronic (lasting a long time) plaque psoriasis (Ps)** in adults who have the condition in many areas of their body and who may benefit from taking injections or pills (systemic therapy) or phototherapy (treatment using ultraviolet light alone or with pills).

People with these diseases have too much of a protein called tumor necrosis factor (TNF), in the affected areas of the body. HUMIRA can block the bad effects of TNF in those affected areas, but it can also lower the ability of the immune system to fight infections. See **"What is the most important information I should know about HUMIRA?"** and **"What are the possible side effects of HUMIRA?"**

What should I tell my doctor before taking HUMIRA?

Before starting HUMIRA, tell your doctor about all of your health conditions, including if you:

- have an infection. See **"What is the most important information I should know about HUMIRA?"**
- have any numbness or tingling or have a disease that affects your nervous system such as multiple sclerosis or Guillain-Barré syndrome.
- have heart failure or other heart conditions. If you have heart failure, it may get worse while you are taking HUMIRA.
- have recently received or are scheduled to receive a vaccine. Patients receiving HUMIRA should not receive live vaccines. Except for live vaccines, patients may still receive vaccines while on HUMIRA. It is recommended that children with juvenile idiopathic arthritis be brought up to date with all immunizations prior to starting HUMIRA.
- are allergic to rubber or latex. The needle cover on the prefilled syringe contains dry natural rubber. Tell your doctor if you have any allergies to rubber or latex.
- are allergic to HUMIRA or to any of its ingredients. See the end of the Medication Guide for a list of ingredients in HUMIRA.

Tell your doctor if you are pregnant, planning to become pregnant, or breastfeeding. HUMIRA should only be used during a pregnancy if needed. Women who are breastfeeding should talk to their doctor about whether or not to use HUMIRA.

Pregnancy Registry: Abbott Laboratories has a registry for pregnant women who take HUMIRA. The purpose of this registry is to check the health of the pregnant mother and her child. Talk to your doctor if you are pregnant and contact the registry at 1-877-311-8972.

Tell your doctor about all the medicines you take, including prescription and non-prescription medicines, vitamins and herbal supplements. Especially, tell your doctor if you take Kineret (anakinra). You may have a higher chance for serious infections and a low white blood cell count when taking HUMIRA with Kineret. Also, tell your doctor if you are taking other medicines that suppress the immune system.

Know the medicines you take. Keep a list of your medicines with you to show your doctor and pharmacist each time you get a new medicine.

How should I take HUMIRA?

See the section, **"How do I prepare and give an injection of HUMIRA?"** at the end of the Medication Guide that comes with HUMIRA for complete instructions for use.

- HUMIRA is given by an injection under the skin. Your doctor will tell you how often to take an injection of HUMIRA. This is based on your condition to be treated. **Do not inject HUMIRA more often than prescribed.**
- Make sure you have been shown how to inject HUMIRA before you do it yourself. You can call your doctor or 1-800-4HUMIRA (448-6472) if you have any questions about giving yourself an injection. Someone you know can also help you with your injection.
- If you take more HUMIRA than you were told to take, call your doctor.
- Do not miss any doses of HUMIRA. If you forget to take HUMIRA, inject a dose as soon as you remember. Then, take your next dose at your regular scheduled time. This will put you back on schedule. To help you remember when to take HUMIRA, you can mark your calendar ahead of time with the stickers provided in the back of the Medication Guide.

What are the possible side effects with HUMIRA?

Serious side effects, which sometimes lead to death, have happened in patients taking HUMIRA, including:

- **Serious infections.** See **"What is the most important information I should know about HUMIRA?"**

Your doctor will examine you for TB and perform a test to see if you have TB. If your doctor feels that you are at risk for TB, you may be treated with medicine for TB before you begin treatment with HUMIRA and during treatment with HUMIRA. Even if your TB test is negative your doctor should carefully monitor you for TB infections while you are taking HUMIRA. Patients who had a negative TB skin test before receiving HUMIRA have developed active TB. Tell your doctor if you have any of the following symptoms while taking or after taking HUMIRA:

- cough that does not go away
- low grade fever

- weight loss
- loss of body fat and muscle (wasting)
- **Certain types of Cancer.**
 - There have been cases of certain kinds of cancer, in patients taking HUMIRA or other TNF blockers.
 - Some patients receiving HUMIRA have developed types of cancer called non-melanoma skin cancer (basal cell cancer and squamous cell cancer of the skin), which are generally not life-threatening if treated. Tell your doctor if you have a bump or open sore that doesn't heal.
 - Patients with RA, especially more serious RA, may have a higher chance for getting a kind of cancer called lymphoma.
- **Allergic reactions.** Signs of a serious allergic reaction include a skin rash, a swollen face, or trouble breathing.
- **Hepatitis B virus reactivation in patients who carry the virus in their blood.** In some cases patients have died as a result of hepatitis B virus being reactivated. Your doctor should monitor you carefully during treatment with HUMIRA if you carry the hepatitis B virus in your blood. Tell your doctor if you have any of the following symptoms:
 - feel unwell
 - poor appetite
 - tiredness (fatigue)
 - fever, skin rash, or joint pain
- **Nervous system problems.** Signs and symptoms of a nervous system problem include: numbness or tingling, problems with your vision, weakness in your arms or legs, and dizziness.
- **Blood problems.** Your body may not make enough of the blood cells that help fight infections or help to stop bleeding. Symptoms include a fever that does not go away, bruising or bleeding very easily, or looking very pale.
- **New heart failure or worsening of heart failure you already have.** Symptoms include shortness of breath or swelling of your ankles or feet or sudden weight gain.
- **Immune reactions including a lupus-like syndrome.** Symptoms include chest discomfort or pain that does not go away, shortness of breath, joint pain, or a rash on your cheeks or arms that gets worse in the sun. Symptoms may go away when you stop HUMIRA.

Call your doctor or get medical care right away if you develop any of the above symptoms. Your treatment with HUMIRA may be stopped.

Common side effects with HUMIRA include:

- **Injection site reactions** such as redness, rash, swelling, itching, or bruising. These symptoms usually will go away within a few days. If you have pain, redness or swelling around the injection site that doesn't go away within a few days or gets worse, call your doctor right away.
- **Upper respiratory infections** (including sinus infections)
- **Headaches**
- **Rash**
- **Nausea**

These are not all the possible side effects with HUMIRA. Tell your doctor if you have any side effect that bothers you or that does not go away. Ask your doctor or pharmacist for more information.

General information about HUMIRA

Medicines are sometimes prescribed for purposes other than those listed in a Medication Guide. Do not use HUMIRA for a condition for which it was not prescribed. Do not give HUMIRA to other people, even if they have the same condition. It may harm them.

This brief summary summarizes the most important information about HUMIRA. If you would like more information, talk with your doctor. You can ask your doctor or pharmacist for information about HUMIRA that was written for healthcare professionals.

Call your doctor for medical advice about side effects. You may report side effects to FDA at 1-800-FDA-1088.

For more information go to www.HUMIRA.com or you can enroll in a patient support program by calling 1-800-4HUMIRA (448-6472).

Ref: 03-A205-R18

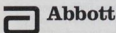
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The Responsibility Revolution

In America, we are recalibrating our sense of what it means to be a citizen, not just through voting or volunteering but also through what we buy. Why the rise of ethical consumerism is profitable for everyone

BY RICHARD STENGEL

WE HAVE ALWAYS KNOWN that heedless self-interest was bad morals," FDR said in 1937, in the midst of the Great Depression. "We know now that it is bad economics." We learned this all over again after the collapse of Lehman Brothers, the shame of subprime mortgages and the brazen Ponzi scheme of Bernie Madoff. But even amid the Great Recession of 2009, people have been trading in their SUVs for Priuses, buying record amounts of fair-trade coffee and investing in socially responsible funds at higher rates than ever before. What we are discovering now, in the most uncertain economy since FDR's time, is that enlightened self-interest—call it a shared sense of responsibility—is good economics.

America has always been a great laboratory of social innovation, from Ben Franklin's creation of the volunteer fire department and the lending library to the rise of online collectives like Wikipedia and Facebook. Usually it has been an in-

vention, some innovation in commerce—the car, the lightbulb, the television—that has changed how we interact with one another as well as how we think of ourselves. We are again entering a period of social change as Americans are recalibrating our sense of what it means to be a citizen, not just through voting or volunteering but also through commerce: by what we buy. There is a new dimension to civic duty that is growing in America—it's the idea that we can serve not only by spending time in our communities and classrooms but by spending more responsibly. We are starting to put our money where our ideals are.

According to a new TIME poll, more than 6 in 10 Americans have bought organic products since January. Lots of us have bought an energy-efficient lightbulb too. And it's not just the nature of the product but also its provenance that's prompting us to buy. Of the 1,003 adults we polled this summer, 82% said they have consciously supported local or neighborhood businesses this year. Nearly 40% said they

purchased a product in 2009 because they liked the social or political values of the company that produced it. That's evidence of a changing mind-set, a new kind of social contract among consumers, business and government. We are seeing the rise of the citizen consumer—and the beginnings of a responsibility revolution.

This is a new idea in a nation where our most iconic economist, Milton Friedman, wrote in 1970 that a corporation's only moral responsibility was to increase shareholder profits. Since 1995, the number of socially responsible investment (SRI) mutual funds, which generally avoid buying shares of companies that profit from such things as tobacco, oil or child labor, has grown from 55 to about 260. SRI funds now manage approximately 11% of all the money invested in U.S. financial markets—an estimated \$2.7 trillion.

Corporate America has discovered that social responsibility attracts investment capital as well as customer loyalty, creating a virtuous circle. With global warming

Also in
This Section



**25 Responsibility
Pioneers**

Activists, nonprofits and companies. [Page 45](#)



**An Interview with
The First Couple**

"Now is the time to get involved." [Page 50](#)



**New Ways to
Make a Difference**

How to spend time and money for good. [Page 64](#)



on the minds of many consumers, lots of companies are racing to "outgreen" one another, a competition that is good for their bottom lines as well as the environment's. The most progressive companies are talking about a triple bottom line—profit, planet and people—that focuses on how to run a business while trying to improve environmental and worker conditions.

It's a new way of looking at a concept as old as the Republic. Ever since colonists in Boston refused to buy British tea, Americans have wielded their economic clout as a weapon against—and, sadly, sometimes for—social injustice. In the U.S., the power of the purse is the most democratic power of all. The Quaker notion of doing well by doing good—popularized by Ben Franklin, the patron saint of social entrepreneurs—predated the predatory capitalism of the Gilded Age. Its revival is due in part to an Obama effect: as a presidential candidate, Barack Obama relentlessly touted green products and industry and preached the idea that profits and principles are not mutually exclusive. His election was both a cause and an effect of this sense of social responsibility: his candidacy capitalized on this evolving mind-set, and he has done more than anyone else to advance it. "I think our campaign was an expression of people wanting to be engaged and involved in different ways," Obama said in an interview in the White House this month. "They wanted to be part of something larger than themselves."

But long before Obama started talking about how green is the new gold, many corporations discovered that business was about a lot more than a profit-and-loss statement. At first, the corporate stance was defensive: companies were punished by consumers for unethical behavior. In the 1990s, companies like Nike and Walmart were attacked for discriminatory and unfair labor practices. People became alarmed about "blood diamonds," or "conflict diamonds"—gems mined in war zones and used to finance conflict in Africa. More recently, consumers have become concerned about the sourcing of metals used in computers. The nexus of activist groups, consumers and government regulation could not merely tarnish a company but put it out of business. Companies also began to realize that just

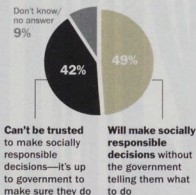
TIME Poll

Our new poll finds that Americans are embracing values of personal responsibility and community service

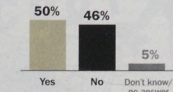
68%

Think most Americans **do not live up to their responsibilities as citizens**

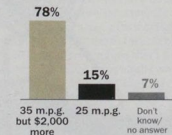
Agree that **businesses ...**



Are you willing to **pay more in federal taxes** to provide universal health-care coverage for all Americans?



Would you rather **buy a car** that gets 25 m.p.g. or a similar car that gets 35 m.p.g. but costs \$2,000 more?



46%

Think the government should require stores to **charge for plastic bags** to encourage use of reusable bags

as some consumers boycotted products they considered unethical, others would purchase products in part because their manufacturers were responsible.

Some companies embraced the new ethos early on. In 1992, Gap developed sourcing guidelines for its suppliers, and in 1996 the company put in effect a code of conduct for them. Since 2004, Gap has been publishing information about the factories it uses and those it has stopped doing business with. Last year HP followed suit, becoming one of the first computer manufacturers to apply similar transparency to its global supply chain. Timberland now prints a detailed label for its shoes, noting on each pair the company's material and energy usage.

None of this would have happened without consumer demand. Nearly half of Americans in our poll said protecting the environment should be given priority over economic growth—and this comes in the midst of a recession and historic unemployment. And 78% of those polled said they would be willing to pay \$2,000 more for a car that gets 35 m.p.g. than for a similar one that gets only 25 m.p.g. Of course, consumers are doing their own doing-well-by-doing-good calculation: a more expensive car that gets better gas mileage will save them money in the long run—and make them feel good about it in the process.

Many companies are trying to reconfigure their DNA as profit seekers. Take Walmart. Once the poster child of corporate ruthlessness, a retailer whose business model of undercutting all of its competitors would have been applauded by Friedman, Walmart has resolved to change its way of doing business for the sake of the future of the planet. The company has required its suppliers to reduce packaging to protect the environment and is trying to boost sales of energy-efficient lightbulbs by giving them more shelf space and better placement in stores. In July it announced it is developing a sustainability index that will one day show consumers at a glance how green its products are. (The initiative will be run by a consortium, coordinated by academics and supported in part by companies such as Procter & Gamble, PepsiCo and General Mills.) But Walmart is far from perfect. While the company has made great strides on the environmental front, it still has a ways to go on the labor



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**Liberty
Mutual.**

front, especially in ensuring fair treatment for the people in developing countries who work for its vendors.

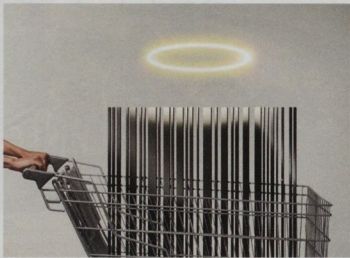
Other companies are ratcheting up their responsibility commitments. Intel, the world's largest chipmaker, says it plans to increase investment this year in energy efficiency that will help the environment and cut costs. Mars and Cadbury have unveiled plans to increase the amount of cacao they harvest from sustainable sources because it is good for the environment and will also relieve potential shortages in the future. The high-end stroller company Bugaboo just announced it is joining the multibrand (RED) campaign—think Gap, Apple, Bono—and will start contributing 1% of its total revenues to the Global Fund that helps AIDS programs in Africa. That's 1% of Bugaboo's revenues, not profits.

One question is, How much of all this is just shrewd marketing to give companies a halo effect? Participants in high-profile efforts like the (RED) campaign—which has raised \$135 million in three years—have been criticized for spending a bundle on marketing. Meanwhile, a New York environmentalist named Jay Westerveld coined the term *greenwashing* for companies that spin their products as being more environmentally friendly than they really are. Chevron is among the firms that have been sued for greenwashing, accused of undermining a biodiesel project while attempting to enhance its green cred. (Chevron denied any wrongdoing.)

That's one reason Walmart's plan to standardize a sustainability index is so important. If companies are really improving their carbon footprint—and, one hopes, the way they treat their workers—in order to improve their image and engender consumer loyalty, isn't that a net good thing? And if they are doing it exclusively to help their bottom line, so what? "I don't care whether companies change for the love of the environment or because of their financial interest," says Geoffrey Heal, a Columbia Business School professor and the author of *When*

Principles Pay. "The most sustainable solution is to have companies responding to financial incentives rather than their own feelings."

In other words, good stewardship is good business. A 2007 Goldman Sachs study found that companies with a strong emphasis on sustainability outperformed the market, often by a large margin. A recent PricewaterhouseCoopers report said companies that report sustainability



data get better returns on their assets than those that don't.

It's not just big companies that are doing well by doing good. Increasingly, social entrepreneurs are starting companies rather than nonprofits, to capitalize on the power of the market to create public benefit. And some of these entrepreneurs are choosing to form "B Corporations," a new corporate structure that requires enterprises to build into their foundation strong social and environmental standards for their operations. More than 220 companies, whose combined revenue tops \$1 billion, have become B Corps since their certification began in 2007.

That's an impressive start but still a small number. Not everyone in America embraces the idea of corporate social responsibility (CSR) or ethical consumerism. Only 59% of the 1,000 largest U.S. companies have publicly available environmental policies. Fewer than 8% of companies go to the trouble of having a third party verify their CSR reports, which many consumers

don't bother to read. As Jeff Swartz, CEO of Timberland and a leader in corporate responsibility, noted recently, "The vast majority of our consumers buy Timberland products because the shoe fits ... not because we maintain a measurably higher standard of human-rights practice."

Our poll found Americans divided pretty evenly into three categories we're calling the Responsibles, the Toe Dippers and the Skeptics. The Toe Dippers embrace some of the ideas of responsible consuming but don't act on many of them, while the Skeptics just think Friedman was right.

The Responsibles, however, are in the vanguard and represent 38% of Americans 18 and older, or about 86 million people. They are more likely than Toe Dippers or Skeptics to be female, married, African American and college-educated. They tend to be well-off but not wealthy, and they have done many things that people in the other groups haven't, such as buying a household appliance on the basis of its energy rating or

a product because they like the values of the company that made it. While they are particularly concerned about the environment, they are much more willing than the others to pay more in federal taxes to deal with social issues like universal health care. They do not fit neatly into any political category: a third are liberal, 37% are conservative, and 28% are moderate. They are younger than the Skeptics and more diverse and look more like what America will look like in 20 or 30 years.

These days, some companies are cutting back on their philanthropy but less so on their CSR initiatives. The only thing that has sunk lower than the public's opinion of Congress during this recession is its opinion of business. Social responsibility is one way to get it back. Consumers too can make ethical choices. You may be stressed out by the economy, but your civic duty is starting to kick in at the cash register. Just don't let it end there. —WITH

REPORTING BY JEREMY CAPLAN ■

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25 Responsibility Pioneers

How companies big and small, old and new—and consumers too—are changing the world



Making principles pay RecycleBank's Ron Gonen, in Jersey City, N.J., has created financial incentives to get more people to recycle more stuff



RECYCLEBANK

Turning Trash Cans Into Piggy Banks

SO FAR, RECYCLEBANK HAS enlisted more than 1 million people in 20 states to help save the planet by padding their wallets. "That's our

value proposition: we're going to make it financially attractive to recycle," says Ron Gonen, who co-founded the for-profit company in 2004 while enrolled at Columbia Business School. Participants receive a container with a computer chip embedded in it that weighs

the amount they recycle and rewards them with points that can be redeemed at more than 1,500 retailers, including Target.com and Bed Bath & Beyond. The system, which lets consumers earn up to \$400 a year, makes for a nice little curbside pick-me-up.

—BY ALEX ALTMAN

Our thumbnail guide to who's achieving progress and how



Companies



Nonprofits



Activists

Challenging Times Demand

"It is incumbent upon us to educate future leaders to think holistically about the world in which they operate." —**Gloria Cordes Larson**, President, Bentley University

Today's global complexities require a dramatically different approach to business leadership—and business education. With its unique integration of ethics and social responsibility into teaching, scholarship and faculty research, Bentley University is meeting the challenge. Here, President Gloria Cordes Larson and Vice President Mike Page describe how Bentley is preparing graduates to become the accountable leaders the world needs right now.

What lessons should business schools take from the recent economic crisis?

GCL: Unfortunately it has taken a global meltdown to wake up the business world to the broader impacts of its decisions—beyond corporate profits. It is incumbent upon us to educate future leaders to think holistically about the world in which they operate. **MP:** At a very basic level, I believe we have to get our students to realize that there are few, if any, decisions they will be making in their lives that do not have broader implications—and they must be accountable for the consequences.

How is Bentley shifting the paradigm? **GCL:** Our strategic plan is built around the principle of accountability, both on an individual and organizational level. We have one of the oldest business ethics centers in the country and the integration of business skill sets with the arts and sciences, service learning and social responsibility is fundamental to our mission. **MP:** We are breaking down barriers between disciplines in teaching as well as research. Our faculty engages across traditional boundaries—there are not many institutions where you will find your finance, management and sociology faculty working intensively together on emerging research, but that is the operating model at Bentley.

Gloria Cordes Larson, President,
Bentley University

Mike Page, Vice President Academic
Affairs and Dean of Business



Accountable Leadership.

The Bentley/City Year "give-a-year" program is a pioneering initiative that enables students to integrate a full year of national service into their Bentley academic experience.



example is our pioneering "give-a-year" partnership with City Year. With scholarship support, we enable students to integrate a year of service and leadership development into their Bentley experience.

Why Bentley, why now? **MP:** Simply put, our graduates will be in a position to recast how the corporate world should and will operate in a broader global society. **GCL:** If there is a silver lining to recent events, it is the collective recognition of the need for change. At Bentley, we believe the next generation of business leaders will get it right.



Can accountable leadership be taught?

MP: Yes, but it is not a course to be taught in a classroom—it's about life experience. At Bentley, we open up many opportunities for students to think through complex problems: to take risks, make mistakes and come up with a set of solutions for which they are personally accountable.

For example? **GCL:** We just launched our Complex Challenges/Creative Solutions program, which asks students to analyze how corporate and individual decisions impact problems on a global scale—and challenges them to

develop responsible, holistic solutions. Another

The new Complex Problems/Creative Solutions program challenges Bentley students and faculty to work holistically across disciplines to find solutions to the global problem of "techno-trash."

Cutting-edge technology at the Bentley Trading Room, Hughey Center for Financial Services, as well as renowned research institutes like the Bentley Center for Business Ethics combine to build the foundation for tomorrow's accountable leaders.



Learn **MORE** about accountable leadership at bentley.edu





LIVING GOODS

In Uganda, Improving Health (and Wealth) Avon-Style

When Charles Slaughter signed up to be an Avon Lady, the Yale business school grad didn't care much about makeup or skin cream. He was looking to poach a business model. Living Goods, the nonprofit he founded in 2006 (after his stint as a direct marketer), gives Ugandan women the chance to be business owners. With microloans of about \$50, they buy much needed products like soap and malaria medicine and then sell them for small profits. While charity funds and government aid can be short-term and unpredictable, Living Goods' model offers long-term stability. But the organization's economic impact on Uganda goes beyond empowering new entrepreneurs—it makes the country healthier. Says Slaughter: "It's hard to make a living when you've got malaria." —BY KATE PICKERT



HUW KINGSTON

Getting a Town to Kick the Bottle

Bundanoon is a tiny, picturesque town in Australia known mostly for its sleepiness. But when the local springs caught the eye of a bottling company, Huw Kingston, who runs the town's café cum bicycle shop, decided he'd had enough. "Bottled water is a marketing con job," he says. "Why would we let them extract our water to put in plastic bottles and sell back to us?" Kingston got Bundanoon to become the first town in the world to ban the sale of bottled water. On Sept. 26, new water fountains will go live, and local stores will switch from selling water to selling refillable water bottles. It's a pint-size start—barely a dozen stores—but it brought global media attention to the problems that come with a thirst for bottled water. —BY BELINDA LUSCOMBE



STARBUCKS

Brewing Up Social Justice

To Starbucks, paying above-market prices for coffee beans doesn't just improve the lives of small-scale farmers. "If we build stable relationships with our growers, we'll get the highest-quality coffee," says Vivek Varma, the company's senior VP of global responsibility. The megachain recently doubled its purchase of Fair Trade coffee, to 40 million lb., and wants all its coffee to be ethically sourced by 2015.

Starbucks offers full health-care coverage to part-time workers too, and since October 2007, its employees have completed over 400,000 hours of community service. Good joe and giving back: a rich blend.

—BY SEAN GREGORY



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INTERVIEW

'A SENSE OF RESPONSIBILITY'

TIME managing editor Richard Stengel spoke with the First Couple this month about service.

We've done this enormous national poll about national service, and one of the things that we discovered ... is that, in fact, volunteering [among some people] is down ... I'm wondering what you make of that and what you think the significance of that is for national service?

THE PRESIDENT: I think that people are understandably anxious right now and feeling insecure economically. They are worried about home payments. They're worried about bills. They're worried about losing their health care. They're worried about their 401(k)s and whether or not they're going to be able to afford to send their kids to college. And so I think that there's an understandable sense that "I really have to take care of home base right now and make sure that I'm doing everything I can to provide security for my family." Now, I would argue that now is

exactly the time where we need more volunteerism.

How do you make the argument to people who are saying ... Hey, I've lost my job, and you're telling me to volunteer?

MRS. OBAMA: As the President said, I think that these are challenging times, but one of the things that we've talked about and I talk about among my friends is that now is the time to get involved in your church. Now is the time to go to your kids' school and participate ... in your parent-teacher conference. Go on a field trip. There are so many ways within your own community that you can get involved and you can add value to your own self-interest.

People have changed the way they are consuming. For example, in the past year, [more] people bought a green product. [More] people bought a product from a company that shows social responsibility whose values they like ... People are becoming kind of citizen

consumers, and that is related to this idea of service.

THE PRESIDENT: Well, I think you especially see that in the next generation, even among our daughters. I remember Malia maybe three years ago—she was 8 or 7—said, "You've got to get a hybrid because this is polluting the air and killing polar bears." And you really start seeing, I think, a level of awareness about how decisions you make, about where you shop or what car you drive, has an impact on the broader world. And so I think it's a positive thing. Now, it's important that that does not replace more traditional notions of volunteering—partly because I think that what service provides is an opportunity for human interaction and relationship-building that is so important to the fabric of our country as a whole. We've always had a strong tradition of individualism—"I'm going to make it on my own"—and self-reliance, and that's one of the most special, precious things about America. But you've also had a running thread of community that Alexis de Tocqueville wrote about and voluntary associations and organizations. And that's been just as important in creating the bonds of



trust and the community infrastructure that means kids are growing up healthy. And Little Leagues have coaches. And churches and synagogues and mosques—religious institutions are out in the community and not just focused inward.

Both in terms of volunteerism and this idea of kind of civic

CADBURY

The Sweet Taste of Fair Trade



Generations of Britons have grown up with the taste of Cadbury Dairy Milk, the nation's best-selling chocolate bar. So it caused quite a stir this summer when a new word was added to the label: FAIRTRADE. Over the next 10 years, Cadbury is investing nearly \$75 million in Ghana to boost cacao farmers' incomes and fund

schools—a move that helped it become the first major international candy firm to gain certification from the Fairtrade Labelling Organizations, which seek to ensure that small-scale farmers in developing countries get a better deal from big Western companies.

Cadbury is also moving to slash its use of fossil fuels,

water and packaging. It's about time, say activists, who once singled out Cadbury for criticism. Meanwhile, consumer enthusiasm for the new Fairtrade bar—which tastes and costs the same as the old version—shows that, if handled smartly, responsible actions can be a great marketing tool. —BY PETER GUMBEL



TOP: ELIZABETH PATRICK / GETTY IMAGES; BOTTOM: ROBERT THOMAS / THE WHITE HOUSE

consumerism, our polls show that there has been a, for lack of a better term, kind of Obama effect—that includes both of you—[since] you started talking about, early on, this very American idea of doing well by doing good: green industry, the idea that principles and progress are not mutually exclusive. THE PRESIDENT: I think our campaign was an expres-

sion of people wanting to be engaged and involved in different ways. They didn't want to just be passive consumers of political television ads. They wanted to have their voices heard. They wanted to interact with their membership—or with their neighbor and their friends. They wanted to be part of something larger than

Stressing service *The Obamas, in their first sit-down interview together since the Inauguration*

themselves. And we, I think, tapped into it in technological terms. But it wasn't really the technology that was the story. It was that there was this underlying impulse for people to get involved, especially among younger people. MRS. OBAMA: You always have to remind people ... that solutions and forward movement on any issue require a multipronged approach. You need government. You need individuals. You need strong communities ... They all have to be working in sync.

About a third of Americans ... say that they've changed their lives and they've made essentially a kind of new social contract. They're buying things that are greener. They're buying things that have a sense of social responsibility ... I wonder if you could talk about this idea.

THE PRESIDENT: Well, I think this is a positive thing, and it speaks to something we've tried to express during the campaign—Washington hasn't quite caught up to it yet—and that is that a traditional argument was between those who thought government could do every-

thing and those who thought government shouldn't do anything ... My sense is that people are looking for now is a sense of responsibility and intentionality, in that your actions have consequences, and we want our government to be responsible ... And so the more we think in terms of "Are we doing everything that is within our power to effect good outcomes?" and then expect responsibility from all our institutions—government, business, not-for-profit sector—then I think that's a pretty good recipe for the continued success of the American experiment.

But I do have to continually insist that ... there is a special benefit to society in the hands-on, face-to-face service of working at a soup kitchen or mentoring a child or visiting seniors in a nursing home that is irreplaceable. It not only is good for the person getting the service; it's good for the person who's giving the service. And there's nothing new about that. That's—that is something elemental about the human spirit.



Full Transcript

To read the entire interview with the President and First Lady, go to time.com/responsibility

SONAL SHAH

White House Chief Of Social Innovation

From her previous gigs at Goldman Sachs and Google.org, Sonal Shah is no stranger to helping deep-pocketed organizations tackle environmental and social issues. Now, as director of the

new White House Office of Social Innovation and Civic Participation, she is in charge of a \$50 million fund to boost the efforts of the country's most cutting-edge nonprofits and social entrepreneurs. "Instead of creating new top-down programs, we want to partner and build upon the innovative ways people are already



solving problems across the country," she says.

Among her goals: fostering an environment where creative solutions can flourish. Shah, a former Treasury Department official, says her new office will be anything but bureaucratic: "We want to help incentivize great innovation."

—BY JEREMY CAPLAN



REBECCA HOSKING

Banning Plastic Bags

To Rebecca Hosking, *bag lady* is a badge of honor. In 2006, while on Midway Island in the North Pacific, she encountered hundreds of albatross carcasses with plastic bags lodged in their stomachs. Horrified, she returned to her hometown of Modbury, England, and persuaded all of its 43 shopkeepers to agree to a plastic-bag ban—the first of its kind in the U.K. Since then, at least 80 other towns in the U.K. have announced plans to follow suit—helping cut down on the 200 million bags that litter Britain's beaches and parks every year. —BY WILLIAM LEE ADAMS



PEACEWORKS

Using Profits For Peace

PeaceWorks calls itself a “not-only-for-profit” company. By developing unlikely business partners (think Israelis and Arabs), founder Daniel Lubetzky is planting seeds of peace in conflict areas. And his latest venture, in peaceful territory—Kind snacks, made in Australia—plows 5% of profits into promoting global coexistence and kindness. “I try to be an enlightened capitalist,” he says.

—BY JEREMY CAPLAN



KICKSTART

Pumping Up the Harvest

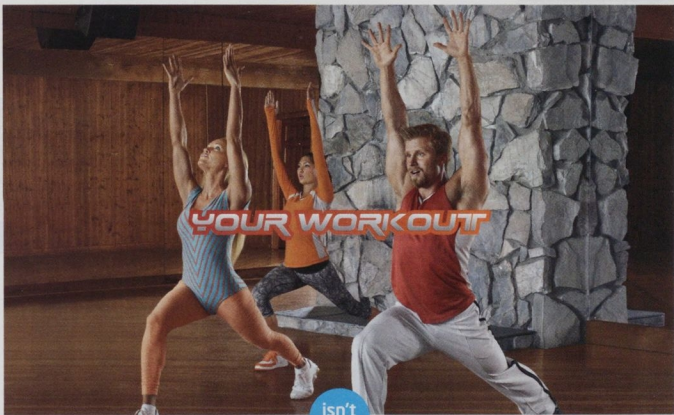
Eighteen years ago, KickStart's founders, former aid workers Martin Fisher and Nick Moon, were branded as heretics for selling irrigation pumps to poor Africans. But experience had shown them that business models work: people are more invested in the success of a tool they buy than in one they are given. So far, the aptly named MoneyMaker pumps have helped 85,000 families increase crop yields and lift themselves out of poverty. Some have even sold their wares to supermarkets in Europe. —BY DEIRDRE VAN DYK



DAXU

A Stove That Runs on Straw Instead of Coal

The problem: poor mountain families in China have to haul huge loads of firewood for their cooking stoves. The solution: a new type of stove that runs on straw and other crop waste—first by heating them, then burning the resulting gas. And since Beijing Shenzhen Daxu Bio-energy Technology's \$50 stove emits eight fewer tons a year of carbon dioxide than a coal stove does, the device is easing deforestation while helping China, the world's largest greenhouse-gas producer, reduce its heavy carbon load. —BY AUSTIN RAMZY



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EMBRACE

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To help the millions of low-birth-weight babies born every year in the developing world—many of whose mothers don't have access to electricity, let alone incubators—Embrace has designed a small sleeping bag with a heating unit that, after a few minutes in boiling water, maintains a temperature of 98.6°F (37°C) for four-hour stretches.

The nonprofit, founded by Stanford students, will sell the \$25 warmers to health-care workers, NGOs and mothers, initially in India.

—BY MRIDU KHULLAR

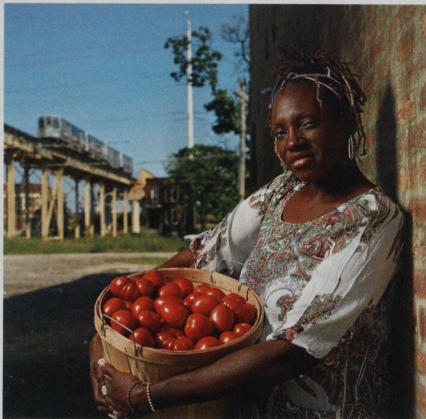


BETTER WORLD BOOKS

Recycled Reading

It's a beautiful system: collect unwanted books from colleges and libraries, sell them online and use some of the profits—donating about \$7 million to date—to help more people (potential customers!) learn to read. Founded in 2002, Better World Books has 3 million new and used titles. Shipping is free in the U.S., but the Indiana firm charges a few cents for carbon offsets. Talk about a guilt-free read.

—BY GILBERT CRUZ



LADONNA REDMOND

Food Justice in Inner-City Chicago

LaDonna Redmond considers opening an organic-food market on Chicago's South Side the act of a freedom fighter. After 10 years of having to drive across town to find produce free of pesticides, the veteran community activist recently opened Graffiti and Grub, a for-profit market staffed by inner-city youth who also work on urban farms in an employment program run through the store. "There aren't enough of these choices in the South Side," she says, adding, "Everyone deserves healthy food."

—BY STEVEN GRAY

A large, circular still life arrangement of various food items and kitchen tools, set against a white background. The composition is a dense, circular collage of objects. At the top, a loaf of bread is sliced, with several slices fanned out. To the right, a small basket holds various fruits, including grapes and apples. Below this, a bottle of wine stands next to a small dish. The bottom right features a variety of fresh vegetables, including a red onion, a purple eggplant, and several green and red peppers. A large, leafy green plant in a metal colander sits at the bottom center. To the left, a collection of kitchen tools, including a large knife, a grater, and a whisk, are arranged. Above these, a small wooden crate holds several lemons. The top left corner shows a small bowl of fruit and a small bottle. The entire arrangement is a rich, detailed display of food and kitchenware.



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NIDAN

Helping India's Poor Pool Resources

With idealism and a sociology degree, in 1995 Arbind Singh founded Nidan, a nonprofit in northern India that has organized 60,000 street vendors and other informal workers into 19 cooperatives that pool resources and secure low-interest credit. One for-profit spin-off has turned "waste pickers" into waste managers," he says, noting that the working poor have skills but lack strong institutions. "That is the missing link."

—BY JYOTI THOTTAM



ACUMEN

Venture Capital as Development Aid

A Tanzanian bed-net manufacturer, a Pakistani drip-irrigation provider and 33 other companies in Africa and on the Indian subcontinent make up the \$38 million investment portfolio of the Acumen Fund, a nonprofit that acts a lot like a venture-capital firm. CEO Jacqueline Novogratz, who started the fund in New York City in 2001, says she saw a "need for patient capital between the marketplace and government." Patient it has been—only recently have some investments taken off. But along the way, Acumen has helped redefine what development aid should look like. —BY JUSTIN FOX



WALMART

Using Market Power for Good

A company known for ruthlessness has turned into an unexpected model for environmentalists by pushing to green its stores and its 100,000 suppliers. That effort intensified in July when Walmart announced plans for a sustainability index that will rate suppliers on such issues as energy use and labor, an area the retailer itself still struggles with. The goal is to improve efficiency by helping customers know at a glance how green a product is. "It's a way to minimize costs," says Matt Kistler, Walmart's sustainability chief. "It's also the right thing to do." —BY BRYAN WALSH



CLEANFISH

A Fine—Not to Mention Sustainable—Kettle of Fish

Sometimes opposites attract. Tim O'Shea, an environmentalist, and Dale Sims, a seafood-industry exec, joined to create CleanFish to counteract the destructive, short-sighted practices of the fishing industry. The San Francisco firm advises 30 eco-conscious fish farms and wild fisheries on how to improve their operations and connects them with like-minded distributors. With CleanFish's help, the old adage about there being plenty more fish in the sea might remain true. —BY BELINDA LUSCOMBE

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D.LIGHT DESIGN

Selling Solar on the Cheap

It's a playful name for a serious company: D.Light Design sells \$10-to-\$25 solar-powered lamps in more than a dozen countries where people lack electricity and often spend a lot on kerosene, which gives off noxious fumes. D.Light's latest model also recharges phone batteries. But one of CEO Sam Goldman's goals is to find ways to lower the cost even further. "I'm not satisfied with \$10," he says. "The real customers that we started this business for can't afford that." —BY GILBERT CRUZ

Finding balance

Villagers in Madagascar learn to juggle commerce and preservation



ASHOKA

Supporting Entrepreneurs Whose Goal Is Social Change

Ashoka uses its \$30 million annual budget to invest in innovative people rather than projects. Since 1980, when a former McKinsey consultant started the U.S.-based nonprofit, it has provided living stipends to nearly 2,500 social entrepreneurs—people who have big ideas about how to achieve social change, such as ways to alleviate poverty or improve access to education, that are sustainable and replicable. Says Ashoka's president, Diana Wells: "Our mission is to build a world where everyone is a changemaker." —BY ALICE PARK



AMY DOMINI

Investing with a Clear Conscience

Amy Domini started shaking up Wall Street in 1984 with a book she co-wrote, *Ethical Investing*. Since then, she has used various means—from working with executives to forcing reforms via shareholder resolutions—to help companies grow a conscience. And she has proved that principles pay. Investors have entrusted more than \$1.5 billion to her ethically minded funds, which screen out companies that have a negative social or environmental impact. Her investing ethos is simple: "The future of the planet is as important as an earnings report." —BY JEREMY CAPLAN



KATIE FEWINGS

A Bride Helps Plan Ethical Weddings

Weddings don't come cheap. Why not spend the money, Katie Fewings figured, on responsibly made products? Her 2005 nuptials in England featured fair-trade wine and a gown made locally of organic poplin. To help others find sweatshop-free dressmakers and eco-florists, she and her husband launched Ethicalweddings.com, which now draws 10,000 unique visitors a month.

—BY LAURA FITZPATRICK

Triple bottom line: Voluntary reporting some companies use to measure their ecological and social impact alongside their financial performance

IMAGINE THIS BLISTERING RASH ALONG WITH STABBING PAIN



AND YOU'LL HAVE AN IDEA OF
WHAT IT CAN BE LIKE TO HAVE SHINGLES.



For more information on the availability of ZOSTAVAX through the Merck Vaccine Patient Assistance Program, visit www.merck.com/merckhelps or call 1-877-9 SHINGLES.



IF YOU HAD CHICKENPOX AS A CHILD, YOU COULD GET SHINGLES NOW.

The chickenpox virus is still in your body.

It can resurface as Shingles, a painful, blistering rash. The Shingles rash usually lasts up to 30 days, and for most the pain lessens as the rash heals. But some people who develop Shingles experience long-term pain that can last for months, even years.

ZOSTAVAX is a vaccine that can help prevent Shingles.

ZOSTAVAX is used to prevent Shingles in adults 60 years of age or older. Once you reach age 60, the sooner you get vaccinated, the better your chances of protecting yourself from Shingles. ZOSTAVAX is given as a single shot. ZOSTAVAX cannot be used to treat Shingles, or the nerve pain that may follow Shingles, once you have it. Talk to your health care professional to see if ZOSTAVAX is right for you.

Important Safety Information

ZOSTAVAX may not fully protect everyone who gets the vaccine. You should not get ZOSTAVAX if you are allergic to any of its ingredients, including gelatin and neomycin, have a weakened immune system, take high doses of steroids, or are pregnant or plan to become pregnant. Possible side effects include redness, pain, itching, swelling, warmth, or bruising at the injection site, as well as headache. You are encouraged to report negative side effects of prescription drugs to the FDA. Visit www.fda.gov/medwatch or call 1-800-FDA-1088. Before getting vaccinated, talk to your health care professional about situations you may need to avoid after getting ZOSTAVAX. Please see the Patient Product Information on the adjacent page.

Before you get **Shingles**, ask about ZOSTAVAX.

ZOSTAVAX
Zoster Vaccine Live

www.zostavax.com

**Patient Information about
ZOSTAVAX® (pronounced "ZOS tah vax")**

9815608

Generic name: Zoster Vaccine Live

You should read this summary of information about ZOSTAVAX¹ before you are vaccinated. If you have any questions about ZOSTAVAX after reading this leaflet, you should ask your health care provider. This information does not take the place of talking about ZOSTAVAX with your doctor, nurse, or other health care provider. Only your health care provider can decide if ZOSTAVAX is right for you.

What is ZOSTAVAX and how does it work?

ZOSTAVAX is a vaccine that is used for adults 60 years of age or older to prevent shingles (also known as zoster).

ZOSTAVAX contains a weakened chickenpox virus (varicella-zoster virus).

ZOSTAVAX works by helping your immune system protect you from getting shingles. If you do get shingles even though you have been vaccinated, ZOSTAVAX may help prevent the nerve pain that can follow shingles in some people.

ZOSTAVAX may not protect everyone who gets the vaccine. ZOSTAVAX cannot be used to treat shingles once you have it.

What do I need to know about shingles and the virus that causes it?

Shingles is caused by the same virus that causes chickenpox. Once you have had chickenpox, the virus can stay in your nervous system for many years. For reasons that are not fully understood, the virus may become active again and give you shingles. Age and problems with the immune system may increase your chances of getting shingles.

Shingles is a rash that is usually on one side of the body. The rash begins as a cluster of small red spots that often blister. The rash can be painful. Shingles rashes usually last up to 30 days and, for most people, the pain associated with the rash lessens as it heals.

Who should not get ZOSTAVAX?

You should not get ZOSTAVAX if you:

- are allergic to any of its ingredients.
- are allergic to gelatin or neomycin.
- have a weakened immune system (for example, an immune deficiency, leukemia, lymphoma, or HIV/AIDS).
- take high doses of steroids by injection or by mouth.
- are pregnant or plan to get pregnant.

You should not get ZOSTAVAX to prevent chickenpox.

Children should not get ZOSTAVAX.

How is ZOSTAVAX given?

ZOSTAVAX is given as a single dose by injection under the skin.

What should I tell my health care provider before I get ZOSTAVAX?

You should tell your health care provider if you:

- have or have had any medical problems.
- take any medicines, including nonprescription medicines, and dietary supplements.
- have any allergies, including allergies to neomycin or gelatin.
- had an allergic reaction to another vaccine.
- are pregnant or plan to become pregnant.
- are breast-feeding.

Tell your health care provider if you expect to be in close contact (including household contact) with newborn infants, someone who may be pregnant and has not had chickenpox or been vaccinated against chickenpox, or someone who has problems with their immune system. Your health care provider can tell you what situations you may need to avoid.

What are the possible side effects of ZOSTAVAX?

The most common side effects that people in the clinical studies reported after receiving the vaccine include:

- redness, pain, itching, swelling, warmth, or bruising where the shot was given.
- headache.

The following additional side effects have been reported in general use with ZOSTAVAX:

- allergic reactions, which may be serious and may include difficulty in breathing or swallowing. If you have an allergic reaction, call your doctor right away.
- fever
- hives at the injection site
- joint pain
- muscle pain
- rash
- rash at the injection site
- swollen glands near the injection site (that may last a few days to a few weeks)

Tell your health care provider if you have any new or unusual symptoms after you receive ZOSTAVAX.

What are the ingredients of ZOSTAVAX?

Active Ingredient: a weakened form of the varicella-zoster virus.

Inactive Ingredients: sucrose, hydrolyzed porcine gelatin, sodium chloride, monosodium L-glutamate, sodium phosphate dibasic, potassium phosphate monobasic, potassium chloride.

What else should I know about ZOSTAVAX?

Vaccinees and their health care providers are encouraged to call (800) 986-8999 to report any exposure to ZOSTAVAX during pregnancy.

This leaflet summarizes important information about ZOSTAVAX.

If you would like more information, talk to your health care provider or visit the website at www.ZOSTAVAX.com or call 1-800-622-4477.

Rx only

Issued April 2009

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MELISSA SCHWEISGUTH

Living Trash-Free

Melissa Schweisguth hasn't thrown anything away since 2006. The sustainability expert, who helped Hershey improve its operations and now advises organic-food companies on how to shrink their carbon footprint, conserves rainwater and buys nonpackaged foods in bulk. When eating out, Schweisguth, who lives in Oregon, brings her own silverware and napkin. She can fit an entire year's worth of garbage in one coffee can. What little trash she accumulates gets composted, recycled or reused—sometimes as pillow stuffing. "I live my life in a way that aligns with my values," she says. —BY CLAIRE SUDDATH



GAP

Transparency: A Good Fit

At Gap, responsibility is in style. From 2003 to 2008, the retailer cut greenhouse-gas emissions 20%. And since admitting to child-labor violations in its factories earlier this decade, the company has received high marks from watchdogs for cleaning up the floors and being transparent about its efforts. "We've shifted our focus from policing," says Dan Henkle, Gap's social-responsibility czar, "to consulting with our suppliers to make sure problems don't arise."

—BY SEAN GREGORY



INTERFACE

Cranking Out Clean Carpet

In 1994, Ray Anderson, founder of the carpet company Interface, was preparing to give a talk on his firm's environmental plan when he discovered it didn't really have an environmental plan. In the years since, Anderson has remade Interface as a sustainability pioneer, in part by using natural, recyclable fibers. Going green has helped save money, but there's more. "It creates a higher purpose with your people," says Interface CEO Dan Hendrix. "They know we have a vision." —BY BRYAN WALSH



GENERAL ELECTRIC

Green Is Good For Business

GE views its sustainability effort as a money maker. "Green is green," says senior vice president Beth Comstock. Launched in 2005, GE's "ecomagination" unit focuses on the energy-efficient technology that reaped \$17 billion in revenue last year, up 21% from 2007. It's not easy for a company long known for dumping chemicals to change course. But, says Comstock, ecomagination "has put us on the right side of our customers."

—BY LAURA FITZPATRICK

New Ways to Make a Difference.

If you've got at least five minutes, five dollars or five friends, here are some ways to do some good

BY JEREMY CAPLAN

Put Your Time to Work

>> For anyone with a jammed schedule, a new group called the **Extraordinaries** offers ways to devote even just a few minutes of free time to something worthwhile. Micro-volunteering opportunities abound on **BeExtra.org**, from using your smartphone to view and label photos (to help digitize museum archives) to snapping a picture of a local park (to help build a map of places where kids can play).

>> Another new tool aims to break world-changing action into its tiniest subparts. **IfWeRanTheWorld.com**, which expects to launch this fall, encourages you to dream big—end poverty! cure cancer!—and then helps come up with small, specific ways you can help achieve progress in those areas.

>> **Random acts of kindness** are getting a high-tech boost, thanks to social entrepreneur Daniel Lubetzky (page 52). First, print a card at **Kinded.com**. Then do something nice for

a stranger, like sharing an umbrella or helping carry luggage, and hand that person the card. The recipient can go online and note where the act of kindness took place and then pass the card along. It's like **Pay It Forward**, with mapping features.

>> The Web has long been a good venue for finding volunteer opportunities. Now a new site called **AllforGood.org** draws together listings not only from traditional volunteer sites but also from Craigslist and Meetup. And it makes it easy to share these opportunities with friends on social-networking sites.

Put Your Money to Work

>> Buy a fair-trade scarf or the work of an African artisan on eBay's **WorldofGood.com**, which vets every product to ensure that it's eco-friendly or ethically sourced.

>> To help build a business in a developing country, try

peer-to-peer lending. Kiva.org started the trend, which lets you lend as little as \$25 to the entrepreneur of your choosing and track the recipient's progress online. Now there are specialized sites like **Wokai.org**, which provides microloans in rural China. Wokai is Mandarin for "I start."

>> More than 1 in 9 dollars in the U.S. stock market is now invested in socially responsible funds. Go to **SocialInvest.org** to find out how to shift your dollars to match your values.

Put Your Friends to Work

>> Gather your pals and organize a reverse boycott called a **Carrotmob**. Instead of punishing corner stores and other local businesses for environmentally unfriendly practices, help them do better by arranging a massive shop-in, in which the owners agree to

use a portion of the revenues to get greener.

>> Rally your friends to support a good cause. Last year bloggers competing in the **online equivalent of a walkathon** raised more than \$270,000 for **DonorsChoose.org**, which funds public-school teachers' requests for classroom materials. This year's Social Media Challenge starts Oct. 1.

>> Twitter is becoming a hub not just for socializing but also for social action. And as silly as they may sound, "Twetivists" get people to meet off-line to help a local charity. For non-Twitterers, **TimeBanks.org** is spreading a form of reciprocal community service, including everything from day care to tutoring.

>> Join a **neighborhood volunteer group** like Brooklyn's In Our Backyard and Washington's CarbonfreeDC, which help groups of friends partner on projects—like planting gardens and teaching people how to green their homes—and have some fun along the way.





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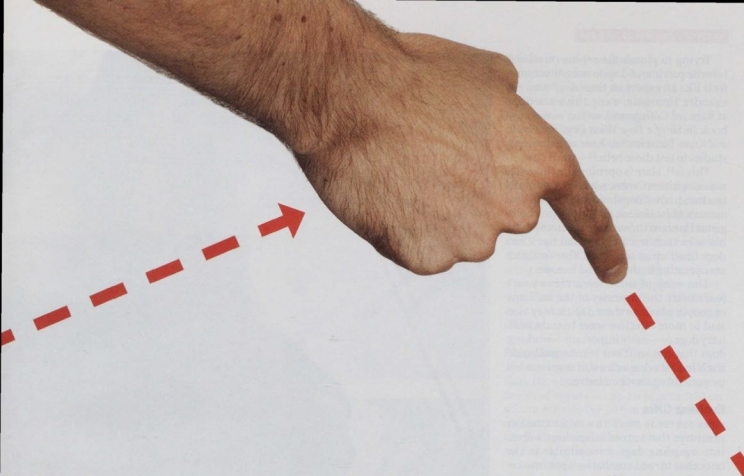

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SCIENCE

The Secrets Inside Your Dog's Mind





Other animals are smarter than dogs, but none (except us) are more sociable. Evolution started the job—and we helped finish it

BY CARL ZIMMER

BRIAN HARE, ASSISTANT PROFESSOR of evolutionary anthropology at Duke University, holds out a dog biscuit.

"Henry!" he says. Henry is a big black schnauzer-poodle mix—a schnoodle, in the words of his owner, Tracy Kivell, another Duke anthropologist. Kivell holds on to Henry's collar so that he can only gaze at the biscuit.

"You got it?" Hare asks Henry. Hare then steps back until he's standing between a pair of inverted plastic cups on the floor. He quickly puts the hand holding the biscuit under one cup, then the other, and holds up both empty hands. Hare could run a very profitable shell game. No one in the room—neither dog nor human—can tell which cup hides the biscuit.

Henry could find the biscuit by sniffing the cups or knocking them over. But Hare does not plan to let him have it so easy. Instead, he simply points at the cup on the right. Henry looks at Hare's hand and follows the pointed finger. Kivell then releases the leash, and Henry walks over to the cup that Hare is pointing to. Hare lifts it to reveal the biscuit reward.

Eyes on the prize Henry, a schnoodle, knows that following a finger may lead to a treat. We are the only other species that could understand that

Henry the schnoodle just did a remarkable thing. Understanding a pointed finger may seem easy, but consider this: while humans and canines can do it naturally, no other known species in the animal kingdom can. Consider too all the mental work that goes into figuring out what a pointed finger means: paying close attention to a person, recognizing that a gesture reflects a thought, that another animal can even have a thought. Henry, as Kivell affectionately admits, may not be "the sharpest knife in the drawer," but compared to other animals, he's a true scholar.

It's no coincidence that the two species that pass Hare's pointing test also share a profound cross-species bond. Many animals have some level of social intelligence, allowing them to coexist and cooperate with other members of their species. Wolves, for example—the probable ancestors of dogs—live in packs that hunt together and have a complex hierarchy. But dogs have evolved an extraordinarily rich social intelligence as they've adapted to life with us. All the things we love about our dogs—the joy they seem to take in our presence, the many ways they integrate themselves into our lives—spring from those social skills. Hare and others are trying to figure out how the intimate coexistence of humans and dogs has shaped the animal's remarkable abilities.

Trying to plumb the canine mind is a favorite pastime of dog owners. "Everyone feels like an expert on their dog," says Alexandra Horowitz, a cognitive scientist at Barnard College and author of the new book *Inside of a Dog: What Dogs See, Smell, and Know*. But scientists had carried out few studies to test those beliefs—until now.

This fall, Hare is opening the Duke Canine Cognition Center, where he is going to test hundreds of dogs brought in by willing owners. Marc Hauser, a cognitive psychologist at Harvard University, recently opened his own such research lab and has 1,000 dogs lined up as subjects. Other facilities are operating in the U.S. and Europe.

The work of these researchers won't just satisfy the curiosity of the millions of people who love their dogs; it may also lead to more effective ways to train ordinary dogs or—more important—working dogs that can sniff out bombs and guide the blind. At a deeper level, it may even tell us something about ourselves.

Evolving Gifts

HARE SUSPECTS THAT THE EVOLUTIONARY pressures that turned suspicious wolves into outgoing dogs were similar to the ones that turned combative apes into cooperative humans. "Humans are unique. But how did that uniqueness evolve?" asks Hare. "That's where dogs are important."

The first rule for scientists studying dogs is, Don't trust your hunches. Just because a dog looks as if it can count or understand words doesn't mean it can. "We say to owners, Look, you may have intuitions about your dog that are valuable," says Hauser. "But they might be wrong."

Take for instance the kiss a dog gives you when you come home. It looks like love, but it could also be hunger. Wolves



also lick one another's mouths, particularly when one wolf returns to the pack. They can use their sense of taste and smell to see if the returnee has caught some prey on its journey. If it did, the licking often prompts it to vomit up some of that kill for the other members of the pack to share. The kisses dogs give us probably evolved from this inspection. "If we happened to spit up whatever we just ate," says Horowitz, "I don't think our dogs would be upset at all."

Horowitz and other scientists are now running experiments to determine what a behavior, like a kiss, really means. In some cases, their research suggests that our pets are manipulating us rather than welling up with human-like feeling. "They could be the ultimate charlatans," says Hauser.

We've all seen guilty dogs slinking away with lowered tails, for example. Horowitz wondered if they behave this way because they truly recognize they've done something wrong, so she devised an experiment. First she observed how dogs behaved when they did something they weren't supposed to do and were scolded by their owners.

Then she tricked the owners into believing the dogs had misbehaved when they hadn't. When the humans scolded the dogs, the dogs were just as likely to look guilty, even though they were innocent of any misbehavior. What's at play here, she concluded, is not some inner sense of right and wrong but a learned ability to act submissive when an owner gets angry. "It's a white-flag response," Horowitz says.

While this kind of manipulation may be unsettling to us, it reveals how carefully dogs pay attention to humans and learn from what they observe. That same attentiveness also gives dogs—or at least certain dogs—a skill with words that seems eerily human.

Juliane Kaminski of the Max Planck Institute for Evolutionary Anthropology in Leipzig, Germany, began exploring the verbal gifts of dogs when she saw a television show about a border collie named Rico—an animal that to all appearances could fetch dozens of different objects in response to their names. Kaminski put Rico to a rigorous test and confirmed that the dog could learn names for more than





Friends at rest—and at work
Hare and greyhound pal Bruno take a deserved break, far left. In a cognition test with another subject, left, Hare uses sleight of hand to hide a biscuit then points to the correct cup. The pooch understands

while chimps and even wolves lack an innate ability to understand what pointing means, dogs come by the knowledge naturally. They're not limited to reading hands and fingers alone. Dogs understand what Hare means if he points with his foot or sets a piece of wood on top of a container with food inside. Even puppies understand, which means it can't be a skill they need to learn. "This is something that dogs just do," says Hare.

Foxy Dogs

TO UNDERSTAND HOW DOGS EVOLVED THIS skill, Hare traveled to Siberia. In the 1950s, Soviet scientists set up an experiment on a farm outside the city of Novosibirsk to understand how animals were domesticated. They decided to study foxes, which are closely related to wolves and dogs.

The Russians began by breeding a group of foxes according to one simple rule: they would walk up to a cage and put a hand on the bars. Foxes that slunk back in fear and snapped their teeth didn't get to breed. Ones that came up to the scientists did. Meanwhile, the scientists also raised a separate group of foxes under identical conditions, except for one difference: they didn't have to pass a test to mate.

More than 40 generations of foxes have now been bred in Novosibirsk, and the results speak for themselves. The foxes that the scientists bred selectively have become remarkably doglike. They will affectionately run up to people and even wag their tails. In 2003, Hare traveled to Novosibirsk and ran his pointing test on baby foxes. The ordinary ones failed miserably. As for the doglike ones, "they did just as well as puppies right out of the box," Hare says. As the animals were bred for their affability, a new side of their social intelligence was apparently awakened.

If foxes are a guide, dog evolution may have begun with a similar shift in personality. Ancestors of dogs could cooperate to hunt, but the cooperation had limits. Wolves are fiercely competitive, as each one tries to claw its way to the top of the pack. Hare proposes that aggressive wolves evolved to have an easygoing personality thanks to a new opportunity: trash.

As humans became better at hunting, they left scraps around their gathering spots. When they departed, the ancestors

200 toys, balls and other items. "I think Rico is a highly talented dog," says Kaminski, "but we've also found new dogs that do what Rico did."

That doesn't mean that the dogs understand the words the way we think they do. When they hear "Frisbee," they may think only, Get the Frisbee. Unlike us, they may not be able to recognize that *Frisbee* is a word for a distinct object that can be combined with other words to create sentences like "Run away from the Frisbee."

Going to the Dogs

SOME SCIENTISTS ACQUIRED THEIR FASCINATION with dogs directly, but Hare's grew out of his research on chimpanzee cognition in the late 1990s, when he was part of a team of primatologists led by Michael Tomasello, now at Max Planck. A chimp can follow the gaze of other chimps and figure out what they can and cannot see. That's a skill that seems to be limited to great apes and humans. Tomasello and his team wondered if such a rare ability extended to hand gestures and tested chimps to see if they could understand pointing.

To their surprise, the chimps did badly, able to learn the meaning of a pointed finger only after lots of training.

The apparent explanation for these results was that pointing—and the social smarts behind it—required a humans-only level of intelligence and evolved in our ancestors only after they branched off from the ancestors of chimpanzees some 7 million years ago. When Tomasello suggested this idea to Hare, however, Hare demurred. "I said, 'Um, Mike, I think my dogs can do that,'" Hare recalls.

Hare's later research revealed that

Foxes that scientists breed selectively become remarkably doglike. They will affectionately run up to people and even wag their tails

The Canine Product Line. All the makes and models

Humans have created 161 breeds of dog, enhancing the species' affability in the process. The breeds are divided into seven main groups

WORKING

25 breeds Bred for jobs like guarding homes and pulling sleds. Quick learners but need strong training
Pictured: Boxer



HOUND

26 breeds A diverse group, but all are good trackers. Their baying is not for everyone
Pictured: Beagle



SPORTING

29 breeds Good instincts in water and woods. Excellent hunting dogs. Very active
Pictured: Golden retriever

HERDING

23 breeds Size doesn't matter to herders. Corgis can herd cows, and family dogs may try to herd children
Pictured: Collie



NONSPORTING

18 breeds A bit of a catchall group. Includes Dalmatian, poodle, chow chow and Lhasa apso too
Pictured: Bulldog

TOY

23 breeds Often compensate for small size with snappish temper. Bred mostly for ease of handling
Pictured: Chihuahua



TERRIER

28 breeds Bred to hunt vermin, they don't tolerate other animals well. Feisty and energetic
Pictured: West Highland



Breeds total more than 161 because some breeds have more than one variety

of dogs could move in. At first, when humans and wolves came into contact, many of the animals ran away. Others lashed out and were killed. Only the affable animals had the temperament to become camp followers, and their new supply of food let them produce affable puppies. "They selected themselves," says Horowitz.

Once dogs became comfortable in our company, humans began to speed up dogs' social evolution. They may have started by giving extra food to helpful dogs—ones that barked to warn of danger, say. Dogs that paid close attention to humans got more rewards and eventually became partners with humans, helping with hunts or herding other animals. Along the way, the dogs' social intelligence became eerily like ours, and not just in their ability to follow a pointed finger. Indeed, they even started to make very human mistakes.

A team led by cognitive scientist Josef Topál of the Research Institute for Psychology in Hungary recently ran an experiment to study how 10-month-old babies pay attention to people. The scientists put a toy under one of two cups and then let the children choose which cup to pick up. The children, of course, picked the right cup—no surprise since they saw

the toy being hidden. Topál and his colleagues repeated the trial several times, always hiding the toy under the same cup, until finally they hid it under the other one. Despite the evidence of their eyes, the kids picked the original cup—the one that had hidden the toy before but did not now.

To investigate why the kids made this counterintuitive mistake, the scientists rigged the cups to wires and then lowered them over the toy. Without the distraction of a human being, the babies were far more likely to pick the right cup. Small children, it seems, are hardwired to pay such close attention to people that they disregard their other observations. Topál and his colleagues ran the same experiment on dogs—and the results were the same. When they administered the test to wolves, however, the animals did not make the mistake the babies and dogs did. They relied on their own observations rather than focusing on a human.

One question the research of Topál, Hare and others raises is why chimpanzees—who are in most ways much smarter than dogs—lack the ability to read gestures. Hare believes that the chimps' poor performance is one more piece of proof

that the talent is rooted not in raw intelligence but in personality. Our ape cousins are simply too distracted by their aggression and competitiveness to fathom gestures easily. Chimps can cooperate to get food that they can't get on their own, but if there's the slightest chance for them to fight over it, they will. For humans to evolve as we did, Hare says, "We had to not get freaked out about sharing."

Deeper understanding of the mind of the dog will come with more testing, and Hare and other researchers are planning it—on a grand scale. They're designing new experiments to compare different breeds and to search for genes that were transformed as the animals' social intelligence evolved. Plenty of dog owners are signing up for the studies Hare will be launching this fall. "We'd be happy with thousands," he says.

The biggest challenge to the new experiments, Hare says, will be not the giant pack of dogs he'll be studying but their anxious owners. "When a puppy does badly, people get upset," says Hare. "You have to emphasize that this is not the SATs."

Perhaps that's the most telling sign of just how evolved dogs are. They have us very well trained.



GET WITH THE PROGRAM

The week of Oct. 19-25, the major broadcast networks and others will join together for an unprecedented television event: A week of programming devoted to—and celebrating—volunteer service in communities across the country. Tune in to see your favorite stars, then follow up and discover the role you can play at iparticipate.org. ▶▶



OCBS

FOX

NBC

D

uring the week of Oct. 19, the term "charity network" will take on new meaning. That's when the major broadcast networks—ABC, CBS, FOX and NBC—and others will air more than 60 shows that will highlight the value of volunteering—either through a storyline, a cast call to service or an inspirational segment. For seven straight days, leading shows—from *CSI:NY* and *Grey's Anatomy* to *30 Rock* and *Til Death*—will give hundreds of millions of viewers a look at their favorite stars—either in character or as themselves—responding to the call to serve.

The ultimate goal, says Stephen McPherson, president of ABC Entertainment, is "to get people thinking about what they can do in terms of volunteering, and then to act on it." To Nina Tassler, president of CBS Entertainment, "The ability to both entertain and inform is one of the hallmarks of a broadcast network." NBC president Angela Bromstad agrees. "The week of volunteer-themed programming in October provides an opportunity for the networks to tap the power of television," she says. Fox Entertainment president Kevin Reilly puts it this way: "We are calling on our talent pool—in front and behind the camera—to get involved."

This unprecedented television event is the centerpiece of the Entertainment Industry Foundation's (EIF) multiyear "I Participate" initiative designed to inspire a new era of service. "We feel our industry is uniquely positioned to ignite a service movement in this country," says Lisa Paulsen, president and CEO of EIF, which channels the collective power and assets

of the entertainment industry into projects aimed at raising awareness and funds for critical health, educational and social issues. "Luckily for us, we have the leadership of the entire entertainment industry on our board. Quite frankly, the week of programming was their idea."

Working from that premise, Paulsen became inspired to make service a major EIF initiative after attending the Service Nation Summit in New York City a year ago. Paulsen and EIF board chair Sherry Lansing were particularly moved by speeches given by both presidential candidates at a forum sponsored by TIME. "They talked about how important it is to

make volunteerism part of who we are as citizens," Paulsen recalls. "As an industry of storytellers who help shape popular culture through film, television and music, influencing millions of Americans, we have an opportunity to help bring service to the forefront of consciousness."

President Obama has since made volunteering a major cause of his administration. In April, he signed the Edward M. Kennedy Serve America Act, which goes into effect Oct. 1 and greatly expands opportunities for Americans of all ages to serve. "We've gotten extraordinary leadership by President Obama and the First Lady in taking this movement to the next level," says Alan Khazei, founder and CEO of Be the Change Inc., whose Service Nation coalition was instrumental in drafting and enacting the legislation. "The next big thing that's going to happen to the service movement is this campaign with the entertainment industry. It's going to go into every single living room across America."

GRASSROOTS MOVEMENT

Whether you're a Democrat or Republican, liberal or conservative, or somewhere in between, it's a script everyone can get behind. "The bill was passed by a significant bipartisan majority in both houses of Congress," says Alan Solomon, board chair of the Corporation for National & Community Service, the independent federal agency that administers national service programs. "It represents one area of American consensus, which is that ordinary citizens participating in solving the problems of their communities and the nation is something we want to encourage and need."



EIF's new website, iparticipate.org, makes it easy for people to find volunteer opportunities in their communities.





A CALL TO ACTION
ON PRIME TIME
(CLOCKWISE FROM
TOP LEFT): ABC'S
THE FORGOTTEN;
NCIS ON CBS; FOX'S
BROTHERS; AND
COMMUNITY ON NBC.



The goal is to increase volunteering in America from 62 million people annually to 100 million by 2020. Roughly 26% of the population now volunteers at least once a year, according to a U.S. Department of Labor report, but another 35% is interested. These "intenders" are the target of I Participate.

"It's such a fabulous investment in the idea that everybody can make a difference and everybody should try," says Michael Brown, co-founder and CEO of the youth volunteer army, City Year, which has received a grant from EIF. "It's going to have a profound impact on the culture. No one's better than the entertainment industry at formulating powerful ideas and sharing them with the American public."

To make it simpler for people to get involved, EIF recently launched iparticipate.org. Driven by a robust database of volunteer activities, this new EIF initiative helps people quickly and easily discover new ways they can give back to their communities in five key areas: education

and children; health and well-being; financial security; environmental conservation; and support for military families.

The hope is that the new site will help fuel the so-called "compassion boom," which is especially prevalent among young adults ages 16–24, perhaps because they've come of age during a time when events like 9/11, Katrina and the current recession have pulled people together.

Says Paulsen: "People feel a real need right now to connect with other people and stand shoulder to shoulder with their neighbors and friends to do something for the greater good."

REDEFINING ONE'S CIVIC DUTY

Two events on opposite coasts help illustrate the new volunteer mindset. The first was the Sept. 10 launch of both iparticipate.org and Cities of Service in New York City, where mayors from across the country signed a declaration of service that will spearhead volunteering at the local level with help from groups like the Points of

Light Institute and its HandsOn Network.

"The great thing about cities, and New York City in particular, is that there is no shortage of people willing to lend a helping hand, but we can always do more," says New York City Mayor Michael Bloomberg, who conceived the urban initiative. "The Cities of Service coalition will take this spirit of generosity to the next level."

Los Angeles Mayor Antonio Villaraigosa is excited to do even more than the many volunteering efforts he has already championed. "In a city where people don't always talk to one another, service is a great way to connect," he says. "Yes, it's true that the community that's being served benefits, but the people who are serving benefit, as well."

The second big event is UCLA's inaugural Volunteer Day on Sept. 22, when 5,000 students (the entire freshman class) and 800 "task captains" will fan out on 100 buses to work on eight separate sites. Funded in part by a grant from EIF, the largest community participation

event in Bruin history will occur the day after the debut of the university's permanent gateway for civic engagement, the online UCLA Volunteer Center.

"We love the I Participate program because our passion here is: How do you create a culture of participants?" says UCLA Volunteer Day director David Bloome. "We've sort of been a culture of spectators. If a major public university doesn't take the lead, where does it happen? We want to start a movement, and with the entertainment community as a partner, we will."

KEEPING THE BUZZ ALIVE

Volunteer Day and the unprecedented week of network programming represent just the beginning of EIF's ongoing campaign to inspire people to pick a cause and get involved. A series of PSAs created by Emmy-winning video producer Jesse Dylan and a social media campaign in collaboration with Ashton Kutcher will also help create awareness. Says Paulsen: "This is designed to change behavior and make volunteering and service part of our DNA."

It's certainly part of the DNA of the entertainment industry, which is once again marshaling its troops for the common good. "With the help of all the different television networks, film studios, agencies, publicists, guilds and everyone involved in the entertainment community," says board chair Lansing, "we hope the I Participate campaign will keep the buzz alive throughout the country to help significantly increase the number of Americans who volunteer in their communities." —Tom Cunneff

Volunteerism is part of the DNA of the entertainment industry, which is once again marshaling its troops for the common good.



Dwayne Johnson: Man of Action

Dwayne Johnson is a man of action both onscreen and off. In addition to being the Entertainment Industry Foundation's new spokesperson for its Diabetes Aware Campaign, he has his own charity, The Rock Foundation, whose goal is to educate and motivate children worldwide about health and physical fitness.

Why is health education so important to you?

I just know what an incredible impact physical fitness had on my life. I struggled to stay on the right path. I was lucky to have a few individuals in my life who saw the potential in me and encouraged me to go out for the wrestling and football teams. Besides the fun of it, you learn about committing yourself to a team and being responsible for your own actions.

What is your vision of volunteering?

It's important to give back, but it's even more important to instill an ethic of volunteerism. It allows people to give back in a way they can. I know it's hard for people to find the time to volunteer, but there are a lot of different ways to give back. Even something as simple as a smile will work, as Mother Teresa liked to say.

How can the entertainment industry make a difference?

By example. I know a lot of celebrities who have donated countless hours and have wonderful foundations. It's really non-negotiable: We're in a position where we can have a big impact on people's lives, especially when it comes to raising money and awareness, so it's something we need to do. We can also help convey how much volunteering benefits the person who does it. ●

Lending a Helping Hand

For over 50 years, AARP volunteers have invested their time and expertise to help individuals and communities across America.

Volunteerism in a corporation can take many forms. One organization may give employees time off to serve; another will back their volunteer efforts with financial support. Each of the organizations profiled here is working with the Entertainment Industry Foundation's I Participate initiative. Each has evolved its own approach, yet all have the same objective: to share their resources and the time and talent of their employees for the good of the larger community.

In the case of the AARP, service is at the very core of the association. "It's in our DNA," says Thomas Nelson, COO of the advocacy organization. He's not exaggerating. He cites AARP founder Ethel Percy Andrus, a retired California school principal, who saw the potential of a volunteer force more than 50 years ago and said, "Volunteers are an army of useful citizens."

With nearly 40 million members, including nine million who are either volunteers, activists or donors, much of the Washington, D.C.-based organization's clout has been built on its ability to use the energy and expertise of its members. AARP volunteers advocate on behalf of the needs of the 50+ population, and they also invest their time in causes that are important to them.

For 35 years, AARP and the AARP Foundation have offered a free tax-counseling program to people who can't do their own taxes or afford to pay a professional. Last year, more than 34,000 AARP Foundation volunteers helped nearly 2.6 million people file their taxes. One focus was helping those who qualified get the earned-income tax credit. According to Nelson, that effort put an estimated \$200 million into the pockets of U.S. taxpayers.



AARP's volunteer network, Create The Good (CreateTheGood.org), features online tool kits that help people serve with an emphasis on ease, whether they have five minutes, five hours or five days. The site has searchable, local volunteer opportunities, as well as do-it-yourself tools to help people start their own projects. The tools arm volunteers with easy-to-use instructions on how to help people save energy, stay healthy, prepare for emergencies and more.

This coincides with an AARP project with the Florida governor's office to organize neighborhood efforts for the storm season. In the past, the tool kits have been written by AARP staff, says Nelson, but the organization is revamping its website this month and will eventually allow individuals to submit ideas for new do-it-yourself kits. AARP's involvement with the Entertainment Industry Foundation (EIF) and I Participate is a natural extension of its outreach efforts.

SHARING FAMILY VALUES: A FATHER AND HIS SON LEND THEIR SKILLS TO HELP A TOWN REBUILD AFTER SEVERE WEATHER DAMAGE.

"Our collaboration with EIF allows Create The Good to reach potential volunteers—those who aren't yet engaged or who are looking for new and different opportunities—and hook them up with ways to serve that work for them," says Nelson.

AARP's volunteer efforts are aimed not just at its membership. There is also a vigorous level of internal activity among staff members. This year on Sept. 11, many AARP employees, chapters and members will devote the entire day to numerous volunteer projects.

In addition, says Nelson, AARP employees receive time throughout the year to participate in volunteer projects of their own. Volunteering can keep the doctor away, says Nelson. "Service at any age contributes to a sense of well-being." •



An Rx for Ailing Americans

To help people get the medications they need to stay healthy, Medco is deploying volunteers to provide for those in need.

Every day, millions of Americans are falling through gaps in our health-care system. For many, it's related to an inability to afford medicines; but for others it could be as simple as not knowing how certain drugs react with each other.

To help address these problems, Medco Health Solutions Inc., the Franklin Lakes, N.J.-based company that operates the world's most advanced pharmacy, has established the Medco Foundation. Its purpose is to conduct a nationwide program that gives each person across America the opportunity to help others get healthy—closing the gaps for family, friends and those in their local communities.

The program, "Give Health a Hand" (givehealthahand.org), will be launched by the Medco Foundation on Sept. 10 with generous support from Medco, in partnership with the Entertainment Industry Foundation's I Participate initiative and AARP's Create the Good (see "Get With the Program," p. S2).

"The Medco Foundation plans to collaborate with those on the front line of health care—medical practitioners in underserved communities—to directly provide medicines to those in need and make valuable information available," says Jay Silverstein, Medco senior vice president and a director of the Medco Foundation. "But more importantly, improving the health of this country begins with each of us reaching out to one another."

The Give Health a Hand initiative is using the power of pharmacy as the focal point for a program that provides three paths for direct participation. Silverstein says the first path will amplify the spirit of giving—transforming dollars into doses

of potentially life-saving medicines. As part of an innovative initiative, for the next three years Medco will underwrite a fund that will provide the impetus to establish a matching donation program. The Medco Foundation intends to facilitate the availability of generic medicines to those served by health clinics in some of the most underprivileged areas.

The second path harnesses the power of volunteerism. The Medco Foundation intends to organize and deploy volunteers from Medco's staff of over 20,000 employees nationwide, as well as to enlist the support of doctors, nurses, pharmacists and ordinary citizens to help those most in need.

The third path encourages all Americans to share important life-saving health information with family and friends by using the information on givehealthahand.org, and to help ensure loved ones take their medicines, watching for drug interactions and cleaning out medicine cabinets of

MEDCO HELPS STABILIZE PEOPLE WITH CHRONIC CONDITIONS BY HELPING THEM ADHERE TO A COMPLEX MEDICATION REGIMEN.

expired and unneeded medications in an environmentally responsible manner.

"The Medco Foundation will help convert crucial information into easy and digestible actions for people to share with relatives and friends, so they can ask their doctor or health-care provider the right questions," says Silverstein. Right now the company serves more than 60 million Americans through its pharmacy network.

"Providing better health care for those who are fighting chronic conditions and are in financial need is the primary goal of this initiative and part of the essential fabric of the Give Health a Hand program and the Medco Foundation," says Silverstein. "We hope others will join us in giving health a hand." •



Supporting Returning Veterans

Never afraid to wear its patriotism on its sleeve, Major League Baseball has developed programs that go beyond giving servicepeople a round of applause.

Volunteerism may not be the first thing that comes to mind when Major League Baseball is mentioned, but Bob DuPuy, the president and COO of MLB, would beg to differ. Baseball and its 30 teams have been involved in many charitable activities over the years. DuPuy lists the league's decades-long association with Boys & Girls Clubs of America (the last 13 years as its official charity), its involvement in the effort to revive baseball among inner-city youth and a long-standing program to promote prostate health on Father's Day. MLB joined forces with the Entertainment Industry Foundation in the Stand Up To Cancer program last year and decided to extend its involvement through the I Participate program. "There is a natural connection between athletes and celebrity entertainers," DuPuy says.

Baseball has also joined with the McCormick Foundation to launch a new program, Welcome Back Veterans (WelcomeBackVeterans.org). The program's goal is to help returning veterans get jobs and the mental-health treatment they need. Major League Baseball has committed to help find jobs and job training for return-

Major League Baseball is helping to raise \$100 million for mental-health clinical programs, and helping to find jobs and job training for returning veterans and their spouses.



ing veterans (and where applicable, their spouses) and to raise \$100 million for mental-health clinical programs.

DuPuy points to baseball's long cooperative relationship with the military. Major League players like Ted Williams and Yogi Berra interrupted their baseball careers to serve in World War II and the Korean War and then returned to their teams. The game has never been afraid to wear its patriotism on its sleeve—or its head. This year, on Memorial Day, July 4 and Sept. 11, all 750 on-field Major League players wore special "stars & stripes" logoed caps; replica hats were made available to fans with proceeds turned over to the veterans program. In April 2009, with its second round of grants, Welcome Back Veterans awarded \$5.5 million in grants to 24 non-profit agencies providing services and assistance to veterans returning from Iraq and Afghanistan. MLB has also enlisted expertise at top university research hospitals including Weill-Cornell in New York, Stanford University in California and the

CINCINNATI REDS MANAGER DUSTY BAKER (LEFT) AND COACH BILL HATCHER (RIGHT) HONOR VETERANS AT A JULY 4 GAME.

University of Michigan.

DuPuy, a veteran himself, says the idea for supporting these causes came from Fred Wilpon, owner of the New York Mets. For many years, the Mets made it a practice to honor returning war veterans at every home game. Wilpon noticed the cheers for Iraq War veterans when they stood to be recognized. He urged baseball officials to come up with a program for vets that went beyond getting them a round of applause. "There was a concern that while recognition is nice, there needed to be more in terms of support," says DuPuy. "The two things most sorely needed were jobs and addressing the mental-health issue." ●



Helping People Stay Healthy

Citing studies showing that people who volunteer lead more productive and fulfilling lives, UnitedHealthcare is a big believer in community service.

UnitedHealthcare believes in a link between volunteering and good health. The company, headquartered in Minnetonka, Minn., is a division of UnitedHealth Group, the largest provider of health insurance in the U.S. "Our mission is to help people live healthier lives," says Thomas Paul, president, UnitedHealthcare Alliances. "And volunteerism helps people live healthier lives." He cites studies showing that people who volunteer early in life experience greater functional ability and better health outcomes later in life.

UnitedHealthcare promotes volunteer efforts that tie into its primary mission. It has worked with such organizations as the American Heart Association, the American Cancer Society and the Alzheimer's Association. But the company has not limited its activities to health-related initiatives. Employees have responded to floods in the Midwest, hurricanes in the South and wildfires on the West Coast. Employees also mentor youths and help in soup kitchens.

UnitedHealthcare boasts a high level of employee participation in volunteer

Helping people live healthier lives, UnitedHealthcare employees have responded to floods in the Midwest, hurricanes in the South and wildfires on the West Coast.



UNITEDHEALTHCARE EMPLOYEES HELP SENIORS WITH THEIR SPRING YARD CLEANING THROUGH THE UNITEDVOLUNTEERS PROGRAM.

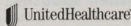
efforts: Approximately 50,000 employees, or 71% of the company workforce, volunteered last year. "We continue to be awestruck by our employees," says Paul. Some 800 have participated in the Alzheimer's Association's Memory Walks, raising \$80,000. For the American Heart Association, 1,300 raised more than \$150,000. When the St. Louis, Mo. area was devastated by floods in 2008, more than 100 UnitedHealthcare employees spent several days making sandbags and distributing water and other essential supplies to the victims.

Paul says the convergence of the company's business mission and its volunteer efforts is why so many employees get involved. "Our culture is around health care," says Paul. "When you get engaged in health care, it brings out the passion and energy for helping people."

Sometimes volunteer efforts are spontaneous. He cites an employee who was working in a nursing home and noticed that the residents hung

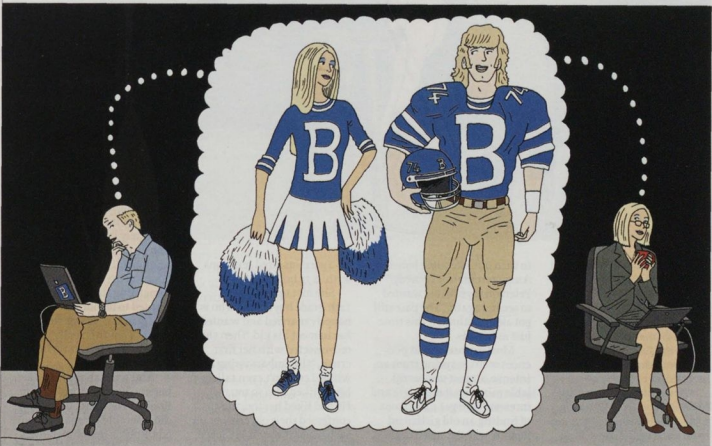
stockings on the home's Christmas tree with their wish lists during the holidays. When she saw that there were still wishes on the tree, the employee took it upon herself to fulfill those wishes by Christmas. "This is representative of the spirit and generosity of our employees," says Paul.

A volunteer effort can simply be a personal response to an experience. Paul talks about the daughter of a UnitedHealthcare employee, a nine-year-old girl named Kendra who suffered from Atrial Ventricular Septal Defect, or extra holes between the chambers of the heart. After surgery that saved Kendra, her father, Bob, began participating in UnitedHealthcare's programs supporting the American Heart Association. •



Life

INTERNET EDUCATION MEDIA



INTERNET

Raging Retrosexuals. Thanks to Facebook, more people are hooking up with long-lost crushes. Some are better off lost

BY CLAIRE SUDDATH

ELISE GARBER MARRIED THE first boy she ever kissed. She met him at an Outward Bound-style summer-camp program when she was 15, she "sort of dated" him for the summer, and then, like most teenage romances, it ended. Twenty-two years later,

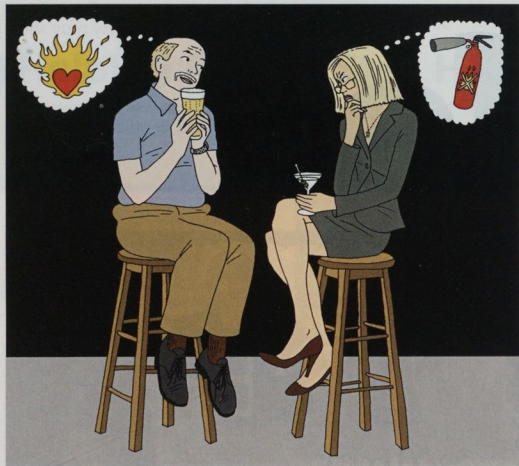
they met again on Facebook.

"I don't know why I looked him up," says the 37-year-old former advertising-agency executive in Chicago. Garber was showing a co-worker how Facebook works, and to demonstrate the search function—a feature that allows users to search for the names of people they know—she entered

Harlan Robins, the name of the first boy she kissed. At the prodding of her co-worker, Garber sent Robins a message. And then she waited. Would he respond? Would he accept her friend request? Was it weird to contact an old summer-camp boyfriend?

As Facebook users have begun to skew older—the

website is now as popular with 30-, 40- and 50-somethings as with the college students who pioneered it—they have found ways to reconnect with one another. And who better to get in touch with than an old flame? "Facebook makes it easier for you to take that first step of finding someone again," explains Rainer Romero-Canyas,



a psychology research scientist at Columbia University. "It has finally provided a way for people to reach out to someone without fear of rejection." The Boston *Phoenix* even coined a term, *retrosexuals*, for people who are taking the plunge into recycled love.

"It was like opening a time capsule," says Drew Peterson, a 34-year-old former IT worker from Long Island, New York. Peterson's retrosexual experience occurred a few years ago when he found his high school girlfriend on MySpace—"You know, before it became the cyberghetto of the Internet." The two dated during junior and senior year of high school; the last time the two saw each other was on the day they graduated. Sixteen years later, they exchanged MySpace messages, and then Peterson flew from New York to San Francisco to see what had become of the woman who had once captured his teenage heart. "I knew it wasn't going

to turn out like some Jennifer Aniston romantic comedy," Peterson says. "I just wanted to see her again." The pair still got along, although this time just as friends.

Most retrosexual experiences seem to spring from an intense, almost uncontrollable mixture of nostalgia and interest. "You get a thrill out of finding an old girlfriend just to see if she still likes you," says W. Keith Campbell, a University of Georgia psychology professor and co-author of *The Narcissism Epidemic*. "You're curious to see what she looks like, and it's easy to fantasize about alternative courses your life might have taken." It's the same feeling that compels people to attend high school reunions. In a way, these meet-ups are the same thing, especially for people like Los Angeles film developer Jillian Stein, 30, who traveled to her hometown of Tampa, Fla., and had three Facebook- and

MySpace-inspired reunions within 72 hours.

She met up with her 12th-grade boyfriend, who is happily married and wanted her to meet his kid. Then she reconnected with her first crush, "the embarrassing kind where I couldn't even talk to him, I liked him so much." He had liked her too; they confessed their old crushes on each other through MySpace and arranged to meet in person the next time Stein was in town. But when she met him at a bar, she was immediately disappointed. He had gained weight, worked in a dead-end job and had already been engaged three times. "I was like, um, no," she says.

'I knew it wasn't going to turn out like some Jennifer Aniston romantic comedy.'

The third meeting—with a boy whom Stein would occasionally meet after high school for what she describes as a "behind-the-bleachers sort of thing"—went differently. He found Stein on Facebook, and they began talking. Stein added him to her list of people to see. They met for dinner, but "it was beyond awkward," and their conversation felt forced. So they left and went to a pool hall.

Several hours and drinks later, the former flings were kissing. Then Stein went home with him. In the morning, she made the drive of shame back home to her parents' house. "Here I was, almost 30, and my mom was so pissed at me," Stein says. She felt as if she were back in high school.

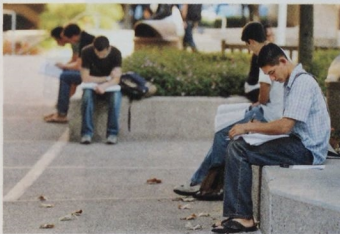
Stein doesn't know what inspired her to do something like that. They knew each other. They had talked extensively through Facebook, and their fling felt like more than a one-night stand. But it was definitely less than a real relationship. They had a history, a rapport. They weren't just hooking up; they were doing something they had always wanted to do but had been too young to try. "It was fun," says Stein. "I got this really great closure, and it felt safe in a weird way."

And what about Elise Garber and her first kiss, Harlan Robins? For them, life really did resemble a romantic comedy. Robins remembered his summer-camp girlfriend and replied to her Facebook message. They agreed to meet for drinks the next time he was in Chicago. When they saw each other, something clicked. They talked into the night, went out the next day, then decided to give their long-distance retrosexual romance a try. Surprisingly, it worked. Garber quit her advertising job and moved to Seattle to be with him. On Sept. 6, they married. "And to think," says Garber, "I worried that we'd spend the whole evening talking about summer camp." ■

EDUCATION

Virtual Swim Meets?

Keen to cut costs, colleges are finding creative ways to save cash. So long, free laundry



A FUNKY ROOMMATE NAMED RECESSION IS SETTLING IN on campuses this fall as colleges and universities slash budgets for virtually everything from salad bars to ski teams. U.S. colleges and universities suffered, on average, a 23% endowment drop in the second half of last year, according to a study by a group of campus business officers. That reduction in funding has set off a scramble to freeze hiring, cut hours and hunker down until the economy improves. "Institutions will have to manage with less," says Oberlin's vice president for finance, Ron Watts. Here's a look at how schools are getting creative with their wallets. —BY SOPHIA YAN

Maintenance

DICKINSON COLLEGE

Is saving \$150,000 a year by dumping its free laundry service

UNIVERSITY OF COLORADO

Will curtail trash removal and window-washing to save \$122,000

SUNY-CANTON

Is holding on to \$25,000 by mowing lawns less frequently

PITZER COLLEGE

Will keep \$80,000 by power-washing sidewalks and windows once, instead of twice, annually



Academics

ARIZONA STATE UNIVERSITY

Cut 48 undergraduate and graduate programs, from art history to archaeology

WISCONSIN LUTHERAN COLLEGE

Lost its political-science major
UNIVERSITY OF NEVADA, LAS VEGAS
Will phase out its bachelor's in health sciences

IDAHO STATE UNIVERSITY

Cut some unpopular courses in German, Russian, Arabic and Chinese

GEORGIA STATE UNIVERSITY

Told faculty and staff to take as many as eight days of unpaid leave

BROWN UNIVERSITY

Instituted a hiring freeze

STANFORD UNIVERSITY

Let go of 49 staffers from its graduate school of business

Dining

HARVARD UNIVERSITY

Got rid of weekday hot breakfasts at undergrad dorms, saving \$900,000

DAVIDSON COLLEGE

Cut \$10,000 in costs by using tap water at events

CARLETON COLLEGE

Will save \$3,800 by skipping shrimp and wine at annual faculty parties

CONCORDIA COLLEGE

Reduced food waste by 40% when it ditched its cafeteria trays earlier this year

COLLEGE OF WOOSTER

Closed a dining hall



Athletics

BRYN MAWR COLLEGE

Saved \$900 when its women's swim team held a virtual meet against nearby Dickinson; each team's swimmers raced in their home pool, and then they compared times to declare winners

MASSACHUSETTS INSTITUTE OF TECHNOLOGY

Kept \$485,000 by cutting eight varsity sports teams, including the hand-pistol, alpine-skiing and wrestling teams

WESTERN WASHINGTON UNIVERSITY

Punted its 100-member football team, saving \$485,000

FLORIDA INTERNATIONAL UNIVERSITY

Asked its cheerleaders to hang up their pom-poms, saving \$45,000



Communications

WHITTIER COLLEGE

Eliminated one day of freshman orientation, saving \$50,000

WHITMAN COLLEGE

Sliced \$20 from each student's free-printing allotment

UNIVERSITY OF WASHINGTON

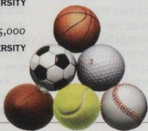
Disconnected landlines in the communications department to save \$1,100 a month

CORNELL COLLEGE

Won't update headline voice-mail systems in this era of cell phones

ROCHESTER INSTITUTE OF TECHNOLOGY

Netted \$10,000 by going digital, moving some athletics publications online



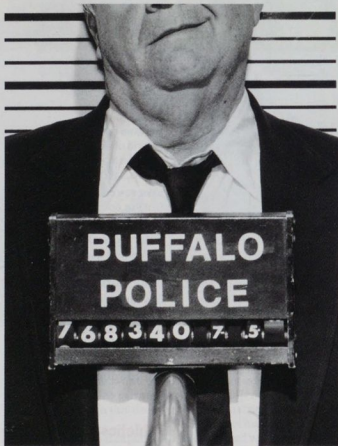
Mug-Shot Mania. Police photos are becoming cash cows for newspaper websites. But is it ethical journalism?

BY TIM PADGETT

WHEN LAURIE, A 20-SOMETHING saleswoman in Tampa, Fla., got pulled over this summer for a minor traffic violation, she (and the police officer) discovered that her driver's license had expired. She was arrested for that misdemeanor, was released and dutifully got her license renewed the next day.

Her case is hardly fodder for the crime pages. But since this is the Internet age, Laurie got her mug shot, name and arrest data splashed on TampaBay.com, the website of the Pulitzer-winning St. Petersburg *Times*. Mug Shots, a prominent fixture on the site's home page since it debuted earlier this year, posts every arrest photo from the four Tampa Bay-area counties, complete with the dazed scowls, bad hair and, for folks like Laurie, humiliation of appearing alongside alleged murderers and car thieves. "This is completely horrible," says Laurie, who asked TIME not to print her last name to spare her further public shaming. "What if my boss sees it?"

Chances are, he already has. Mug-shot galleries are increasingly popular features on newspaper websites, which are on a crusade for more page views—and the advertising revenue that accompanies



additional eyeballs. While big dailies like New York's *Newsday* and the Chicago *Tribune* have caught on to the trend, mug-shot mania is especially prevalent in Florida, where liberal public-records laws make it easier to obtain these photos. "It's a huge traffic driver for us," says Roger Simmons, digital-news manager for the Orlando *Sentinel*, where mug shots garner about 2.5 million page views a month, 6% of the site's total. The Palm Beach *Post* estimates its online police blotter, which streams its own ads, drew half of the site's 45 million page views in May.

Print newspapers have long run police blotters, but they're usually just boring-looking

text. Website blotters, on the other hand, can affordably offer every color portrait the local precinct shoots. Like television networks opting for cheaply produced reality shows, the newspaper sites believe they've found their cash cow: readers seem as eager to gawk at the average alleged DUI perp as they are to ogle celebrity mug shots on sites like the Smoking Gun.

That, media watchdogs warn, is a troubling sign that newspapers are using voyeurism to survive. "It feeds societal prurience with no journalistic value," says Robert Steele, a journalism professor at DePauw University and an ethics specialist for the nonprofit Poynter Institute for



PAGE TURNERS

52%

Percentage of PalmBeachPost.com's May traffic that came from viewing mug shots

13%

Percentage of TampaBay.com's unique visitors who look at mug shots

2.5 MILLION

Number of hits mug shots get each month on OrlandoSentinel.com

Media Studies, which owns the St. Petersburg *Times*. And while most mug-shot galleries advise viewers that the defendants are innocent until proved guilty, Steele says there's a "stench of unfairness to this kind of cyberbillboard." Robert Wesley, the chief public defender in Orlando, calls the mug-shot features "online Salem pillories."

While editors like Simmons say they do worry when they hear puerile radio jocks making fun of the newest mug-shot faces, they reject the idea that they're cheapening mainstream media. "We're in the public-information business," Simmons says. But people like Laurie might wonder why their business is now everyone else's too.


**MONEY&
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How Today's
Economic Events
Are Affecting
Americans

$$\frac{\text{Credit Card} \times \left(\frac{\text{House} \%}{2 \text{ Car}} \right)}{\text{Stroller} + \$\$ \$^{(3)} + 760}$$

Get Smart About Debt

The credit crisis has changed the math on borrowing money—and paying it back.



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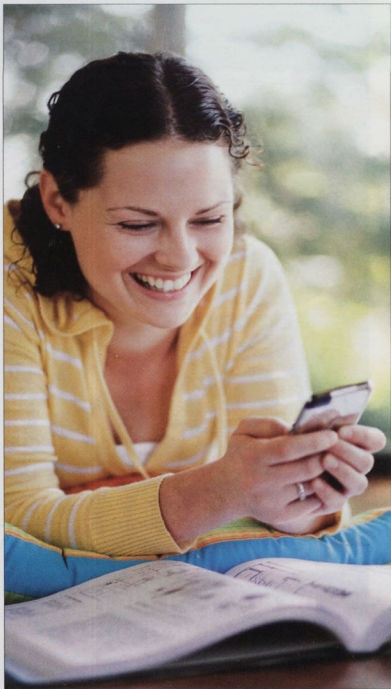
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RULE NO. 1 Borrow only when it makes financial sense.

During the boom you barely had to be breathing to qualify for loans and lines of credit. Result: Too many people leveraged themselves silly. By 2007, U.S. households owed \$1.33 for every \$1 of disposable income. With so much debt, many people couldn't cope when their mortgage rates reset or they lost their jobs.

Before you take on debt, make sure you won't get into a similar pickle. First look at your debt-to-income ratio, or your monthly debt payments divided by your monthly pretax income. You want to stay under 30%. Next consider why you're borrowing. Generally speaking (but especially in tough times), you should try to limit borrowing to "good debt," which finances something likely

ACTION PLAN

► Even good debt can get out of control. So use the "How much house can you afford?" tool at cnnmoney.com/tools before buying a home.

► Quiz: Loan or no loan?

Answer the following questions to decide:

Are you investing in an asset that will add to your net worth over time? (Examples: a degree, a home, a business)

YES or NO

Is the loan's interest tax-deductible?

YES or NO

Is your credit score high enough that you'll qualify for the lowest available interest rate?

YES or NO

Will your total debt payments remain less than 30% of your pretax monthly income?

YES or NO

Could you afford the payments even if you were out of work for six months?

YES or NO

Can you prepay the loan without penalty?

YES or NO

► IF YOU ANSWERED YES TO ...

5 to 6

Borrowing may make sense.

3 to 4

Hmm! ... it may not be wise.

0 to 2

Forget it for now.

to retain or gain value. Examples: mortgages and student loans. Homes keep their value—historically, at least—and a degree pays off in higher earnings. Low rates and tax benefits are other signals that taking on a debt makes sense. Using credit for a vacation or a 50-inch TV? That's bad debt. Save up and pay cash instead.

EDITOR'S NOTE: Whether you're hoping to borrow money or concentrating on paying down debt, you'll need a new game plan, thanks to big changes in the way lenders do business. Recently, at a Bank of America branch in New York City, Money editors spoke about strategies for taking on and managing debt in this new world. This report, part of a series in *Money*, *Fortune*, *Time*, and *Real Simple* magazines and on our websites, as well as on CNN, reflects that day's discussion. To learn more, visit CNN.com/moneyandmainstreet. —CRAIG MATTERS, Managing Editor, *Money*

RULE **NO. 2** Set yourself up to get the lowest rates.

Burned by their mistakes, lenders are now far more cautious in doling out money. To qualify for any loan, you must prove that you're a low default risk; to get the best terms, you must be a sure bet.

That proof starts with a high FICO score, the number used by most lenders to determine your creditworthiness. Today the lowest rates generally go to those with scores of at least 760 out of a possible 850. Boost your score by paying bills on time, reducing credit card balances to less than 20% of your limits, and correcting any errors on your credit reports. Getting top rates today may also require a bigger down payment—20% for a house, 10% for a car. And you definitely must show you have steady income.

THE HIGHER YOUR CREDIT SCORE, THE LESS YOU'LL PAY

Total payments on a 30-year fixed-rate \$200,000 mortgage



NOTE: As of July 21, 2009. Assumes 20% down payment. SOURCE: Informa Research Services

ACTION PLAN

- ▶ Order your credit report from annualcreditreport.com; you get one free from each bureau every 12 months.
- ▶ While there, buy the Equifax version of your FICO credit score for \$8.
- ▶ To save for down payments, set up automatic transfers from checking to savings accounts.

RULE **NO. 3** Tap home equity sparingly.

Not long ago you might have drawn on a home-equity line of credit (HELOC) for college costs, emergencies, even a new car. But with many lenders cutting lines and real estate values still sinking, home equity is no longer easy money.

Lucky enough to still have a HELOC? Tap it only if you'll be left with more than 20% equity and area home prices are leveling off—or else you may end up underwater. If a HELOC isn't viable, use federal loans for college (often better anyway, since their rates are fixed). In an emergency, a 401(k) loan is an option, though you'll miss out on investment growth and owe interest. Plus, typically you have to pay it back within 90 days if you're laid off.

WHY HELOCs MAKE LESS SENSE NOW

13%

Average loss in real housing wealth from 2005 to 2008

40%

Banks that report having cut HELOC limits

ACTION PLAN

- ▶ If your lender eliminated your HELOC, shop around for other lenders at bankrate.com.





Take charge of your credit.

Learn how at bankofamerica.com/learn

Tips

Simple, practical things you can do right now to manage your credit.



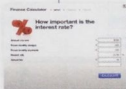
Articles

Articles by top financial experts provide you with helpful direction.



Calculators

Compare rates and see how higher interest rates affect both pay-off time and total interest expense.



Videos

See how using your credit cards wisely could help build your credit score.



Personal Finance

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Welcome

NOT EDUCATED Reducing the cost of credit

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VIEWPOINT Do you know the A

Of course I do... 60%

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► What lenders look for in your credit report

... and how to make yourself more attractive.

EQUIFAX®

Equifax Credit Report™ Sample

► Credit Summary

► Accounts

► Inquiries

► Negative Information

► Personal Information

► Dispute File Information

Equifax Credit Report™ for Melissa Carson

As of 10/20/2008

Available until 04/20/2009

Confirmation # 123456789

Credit Summary

Your Equifax Credit Summary highlights the information in your determining your credit standing by distilling key credit

Accounts

Lenders usually take a positive view of individuals with a range of credit types, including credit cards, mortgages, etc. - that have a record of timely payments. Certain types of revolving (credit card) accounts and installment

Open Accounts	Total	Balance	Available	Credit Limit	Debt to Credit Ratio	Monthly Payment Amount	Accounts with a Balance
Mortgage	2	\$253,433	\$0	\$66,250	451%	\$1,826	2
Installment	1	\$17,367	N/A	\$19,043	90%	\$377	1
Revolving	3	\$0	\$21,400	\$21,400	0%	\$0	6
Other	0	\$0	N/A	N/A	N/A	\$0	6
Total	6	\$270,800	\$21,400	\$97,693	277%	\$2,203	3

Debt by Account Type



NOTE: Total may not equal 100% due to rounding

Account Age

Usually, it is a good idea to keep your oldest credit account open, as a high average account age generally demonstrates stability to lenders. Also, especially if you have been managing credit for a

Length of Credit History	9 Years, 6 Months
Average Account Age	5 Years, 1 Month
Oldest Account	ABC LOANS, INC.
Most Recent Account	XYZ RESTAURANT

Inquiries - Requests for your Credit Report

Numerous inquiries on your credit file for new credit may indicate that you are usually better to only seek new credit when it is necessary. Inquiries for a single loan and many new loans in part by the length of time over which the inquiries occur. So, when rate shopping for a loan it's a good idea to do it within a focused period of time.

Inquiries in the Last 7 Years

123 UTILITY (03/05/07)

Potentially Negative Information

Liens, bankruptcies and public records can have a negative impact on your credit standing. The more severe and recent they are, the more negative the potential impact might be.

Public Records

3

Revolving Accounts

2

Collections

1

1 HOW MANY INQUIRIES YOU HAVE

"Soft" inquiries are made when you or an existing creditor checks your report; "hard" ones appear when you apply for credit. Only hard inquiries from the past year affect your credit score. The fewer, the better.

TIP: Do any loan shopping within a 14-day window; all inquiries will count as only one.

2 WHAT YOU'RE JUGGLING

The main part of your report lists your open credit accounts, plus those closed up to 10 years ago, with amount owed and the limit or initial loan amount. Lenders want to see that you can handle a mix of credit types.

TIP: Since a long history ably managing debt looks good, keep your oldest credit cards open and active.

3 HOW MUCH CREDIT YOU'RE USING

Lenders pay particular attention to the amount you owe on credit cards relative to your limits. (Note: Creditors usually report to bureaus the day the billing cycle closes, so your statement balance is used here.)

TIP: Aim to use less than 20% of your available credit.

4 HOW TIMELY YOU'VE BEEN

Payment history is key in how lenders view you. The later you were in paying—and the more times you slipped up—the less appealing a risk you are. On this report, yellow indicates 30 to 60 days late; red is 90 days.

TIP: If you have just one late payment on your record, ask your lender if it will make a good-will adjustment on your report.

5 WHETHER YOU'VE REALLY MESSED UP

Liens, bankruptcies, and delinquent accounts will be shown, typically for seven to 10 years afterward.

TIP: You are entitled to add a personal statement to your report; consider doing so if something here needs explaining.

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PRINT

Look for more reports in *Fortune*, *Money*, *Real Simple*, and *Time*.

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For more tools you can use, insight, and information, visit CNN.com/money-andmainstreet.

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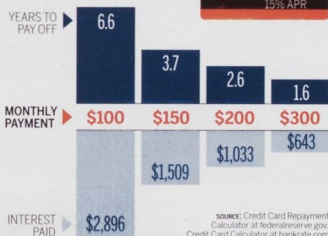
Thursdays on CNN: Get real-life solutions in a tough economy: 8 a.m. on *American Morning* and 8 p.m. on *Campbell Brown*.



ACTION PLAN

- ▶ Use free budgeting site QuickenOnline.com to track spending. Trim 5% of expenses so that you can put money toward paying debt faster.
- ▶ Rank debts by interest rate. Accelerate payment on the highest-rate loans.

PAY A LITTLE MORE EACH MONTH—AND SAVE A LOT



RULE NO. 4 Eliminate the right debts first.

Stressed about how much you owe? Some 48% of Americans share your anxiety, according to a recent AP poll. But knowing you have company isn't enough to calm you down. You need a strategy.

Specifically, you need a one-two punch: Tighten your purse strings and accelerate payment on the debt that has the highest interest rate first. Typically that's your credit cards. And as you can see at left, small increases in payments can dramatically reduce the time—and money—it takes to zero out the cards. Once you've paid off your highest-rate loan, apply the money you'd been using to the next-highest-rate loan. And so on. (You may not want to speed up payments on home or student loans because of the tax deduction on interest.)

If you don't have six months' worth of living expenses stashed away, however, split the extra money between paying debt and building an emergency fund. Otherwise, if you lose your job, you may be forced to run your debt back up.

RULE NO. 5 Keep up the good behavior.

The tougher lending standards ushered in by the credit crisis are likely to stick around well after the recession is gone. Helping cement them are new laws that focus on consumer protection—such as stricter rules for credit card issuers, which reduce their incentive to deal with less creditworthy customers. But an even bigger factor is the disappearance of secondary investors willing to buy risky loans from banks. “Over time, those markets will come back to life,” says Bankrate.com’s Greg McBride. “But bad memories won’t fade fast.” The lesson? Don’t let good credit habits slide, even if you’re not planning to borrow right away.

THE NEW STANDARDS

PASSÉ	PRUDENT
House down payment of 5% or less	Down payment of 20% or more
Little equity needed for a HELOC	At least 20% equity
72-month car loan with nothing down	36- or 48-month car loan with 10% down
No proof of income for any loan	Bank statements, pay stubs, tax returns

ACTION PLAN

- ▶ Schedule dates four, eight, and 12 months from now to pull one of your credit reports.
- ▶ Set up automatic bill payments through your bank's website so that you're never late.

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TAKE ACTION

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ViewPoint

View all

Do you know the APRs on all your credit cards?

Of course I do—60%

What's an APR? 30%

Heck, not really 10%

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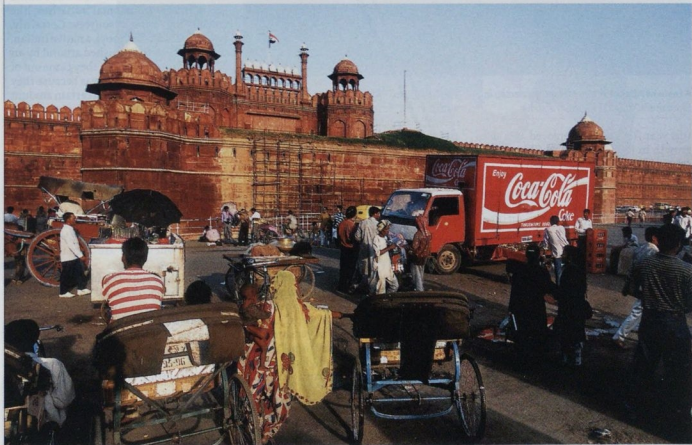
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Romance novels are helping some publishers hide from the worst of the recession

ANDREA SACHS ON HARLEQUIN ENTERPRISES

Global Business

BEVERAGES INSURANCE MEGACITIES PUBLISHING GLOBAL ADVISER



BEVERAGES

Coke's Recession Boomlet.

"New" markets in India and China and an old playbook are offsetting sluggish U.S. sales

BY AUSTIN RAMZY

THE GLOBAL ECONOMY HASN'T LOOKED this bleak since the Great Depression. So things must be looking up for the Coca-Cola Co. For the first full year after the 1929 crash, Coke announced record profits and 3% sales growth. *TIME* called it "perhaps the most remarkable 1930 statement yet to appear." Almost eight decades later, Coke posted sales growth of 3% for the first half of 2009.

When consumers can't splash out on pricey items like new cars or even new clothes, they resort to cheaper pleasures, like a cold drink. That logic remains simple, even as Coke's business has grown far more complex. In 1930, Coke had profits of \$13 million and operated in more than two dozen countries; last year it was \$5.8 billion, on sales of \$31.9 billion, in more than 200 countries.

An early globalist, the company relies

Crossroads A truck makes a delivery by the sandstone walls of the Red Fort in New Delhi

more than ever on worldwide sales. Europe and North America have been stagnant, especially for the company's main brand, Coca-Cola, whose sales have been watered down by an onslaught of New Age drinks—and water. Coke has countered the trend by acquiring brands like Vitaminwater, but total case sales are off 2% in North America



A taste of Atlanta A kiosk tempts passersby in Shanghai's Xujiahui shopping district

this year. Yet Coke has enjoyed 33% sales growth in India and 14% in China in the second quarter of 2009.

Coke has always measured its sales potential using the metric of bottles consumed per capita by country, and by that calibration, China and India remain untapped gushers. While the average American drinks 412 bottles of Coke products a year, it's just 28 in China and seven in India. With their billion-plus populations, "they're the future of the company," says Mark Swartzberg, an analyst with Stifel Nicolaus. "There is still a lot of economic development to happen for the world, and China and India are clearly leading the way."

China and India have been the future for much of the past. Coke landed in China in 1927, then retreated in 1949, when the People's Republic could not find room for a populist beverage. The company returned in 1979, the year Deng Xiaoping launched his economic-reform drive. In 2001, China was Coke's seventh biggest market; now it is No. 3, after the U.S. and Mexico.

Since then, growth on the mainland has been a steady progression of building bottlers and bottling plants along with retail distribution across a vast country. Coke now has distribution in almost every province.

Coke brands had a 52.5% share of China's carbonated-drink market last year, according to research firm Euromonitor International, while Pepsi's had 32.8%. Pepsi has held its ground against its bigger rival through sophisticated ad campaigns that have positioned it as the hipper drink in the eyes of many Chinese youths. Coke sponsors sports stars such as NBA center

Yao Ming and Olympic diver Guo Jingjing, while Pepsi dominates in pop culture. It recently launched a Chinese music label and sponsors an *American Idol*-style music competition. In the matchup of flagship colas, Pepsi holds an edge with a 23% market share to Coke's 22.2%. But neither is the leading fizzy drink in China. That honor belongs to lemon-lime Sprite, with a 23.4% share—and Sprite belongs to Coca-Cola.

Coke's climb in India follows years of turbulence. It was the leading soft-drink brand from 1958 to 1977, when India's business environment turned nationalist. After the government demanded that Coke reveal its formula and become a minority owner, the company bolted. Pepsi jumped into India in 1988 as a joint venture with a state-owned enterprise and Voltas, part of the Tata Group conglomerate. In Coke's absence, the company gradually accumulated market share.

Coke returned in 1993, after India's liberalization, buying a competitor's bottling network and local soft-drink brands like Thums Up cola and Limca lemon drink. Over the next decade, Coke invested more than \$1 billion, turning a profit in India for the first time in 2001.

The company hardly had time to celebrate. Two years later, Coke and Pepsi were targeted by a study from an NGO

called the Center for Science and Environment (CSE)—a group focused on environmental-sustainability issues—which alleged that samples of the companies' drinks tested high for pesticide residue. Both firms' sales and reputations were hit hard. In a rare moment of solidarity, Pepsi and Coca-Cola held a joint press conference attacking the NGO. The claims were raised again in 2006, and annual sales of carbonated drinks shrank. An expert panel appointed by the Ministry of Health and Family Welfare later found problems with CSE's testing.

The scandal forced the soft-drink giants to defend their products and outline social and environmental initiatives, like conserving water resources. Certainly, PepsiCo CEO Indra Nooyi, a native Indian, was not about to be pushed around by an NGO with an agenda. "If they came out of the tainted phase fast, it was because they were able to demonstrate a certain amount of sincerity and transparency," says Santosh Desai, CEO of New Delhi-based marketing consultants Future Brands. "Sales were affected in the short term, [but] they did a good job of reassuring consumers." Atul Singh, CEO of Coke India since 2005, who once said the company was "continuously challenged" because of its foreign roots, now welcomes that scrutiny. "There's nothing like raising the bar for yourself when you are actually doing well," he says.

After the safety scandal broke, Coke and Pepsi relied on small bottles and cut-rate prices to woo customers. The small packages boosted sales but hurt profitability for the companies and their bottlers. In 2005, Singh increased prices 40% to 60% and later introduced new packaging, like 1.25-liter bottles, which boosted in-home consumption. After a drop in sales in 2006, the Indian market began to grow again in 2007. "I can't complain," says S.B.P. Ram-mohan, owner of Sri Sarvaraya Sugars Ltd., a southern-India Coke bottler. "It's no longer volume at all costs."

In China, though, Coke has remained focused on sales volume, selling soda in small bottles for as little as 15¢. It just introduced a 355-ml bottle—a little more than half the size of its more traditional plastic bottle—for 35¢ in places like the southern coastal provinces, which have been hard hit by the slowdown in exports. Coke's China president, Doug Jackson, says he'll take what he can get in a tough economy. "If you have a little less *kuai* in your pocket," he says, using the colloquial word for Chinese currency, "folks look for where do I save that one *kuai*. Instead of drinking nothing, I can handle that cheaper one. It's just giving them an option."

China and India remain untapped gushers. While the average American drinks 412 bottles of Coke products a year, it's just 28 in China and seven in India



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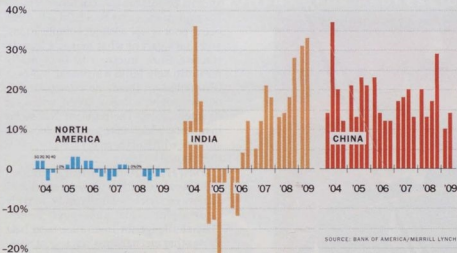
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Home (Not So) Sweet Home. Coke has struggled domestically, but Asian consumers are shoring up soft-drink sales

Quarterly volume growth by region



SOURCE: BANK OF AMERICA/MERRILL LYNCH

Another key—and another classic from the Coke playbook—has been keeping things cold. In India and China, tradition and a shortage of refrigeration mean that Coca-Cola is often drunk warm. In parts of China where cold drinks are traditionally considered unhealthy, it is even boiled and served with lemon or ginger. So coaxing consumers to drink cold Cokes—the company says 3°C is ideal—was part of the estimated \$400 million that was spent on sponsoring last year's Beijing Olympics and related advertising. As sales rebounded in India, bottlers added new technology, including superinsulated retail refrigerators that stay cool for 12 hours without power, since the grid is unreliable in rural areas. In India, Coke will invest \$250 million by 2011 to expand its infrastructure.

The growth-focused model that Deng established in China 30 years ago has given Coke a reasonably stable platform to manage its expansion. "We know exactly where we are going," Jackson explains. "The government says, 'We'll urbanize 20 million people this year, and we'll do it sustainably through to 2020. We'll nearly urbanize the population of the United States over the next 10 years.' I can be very assured that I can place my bets for the company." Of course, Jackson wasn't betting that Beijing would block Coke's proposed \$2.4 billion acquisition of Chinese juicemaker Huiyuan, which would have been the largest sale to a foreign company in China's commercial history. But the Ministry of Commerce blocked the deal on antitrust grounds, saying the merger

would give Coke too much control of the country's juice market.

Though the rejection was widely seen as both a defeat for Coke and a sign of growing protectionism in China, losing Huiyuan might not be all bad. "The regulator's decision spared Coke from overpaying for Huiyuan," says Swartzberg, the Stifel Nicolaus analyst. Now, says Jackson, Coke will build on its own. "Our 2020 goals are the same. We'll build rather than buy and move forward."

In the near future, Coke's China investments will be massive. The company, which has spent \$1.6 billion in China since 1979, plans to invest \$2 billion in growth over the next three years. (Last year, Pepsi announced a \$1 billion investment in China over the next four years.) Coke opened a \$90 million research center this year in Shanghai, where it has developed new products like the grape, lemon and mixed-fruit flavors added to the Chinese version of Minute Maid, a pulpy fruit drink known as Guo Li Chen.

It's also expanding in less-developed western regions like Xinjiang and eastern ones like Inner Mongolia, where the company is building its 39th Chinese bottling plant. Bold moves in a downturn? Maybe, but then again, there's precedent. In the 1930s, Coke broke in to 20 new countries and territories, an expansion of 74% from the start of the decade. This decade may not quite be another Great Depression, but the strategy seems worth repeating. —WITH REPORTING BY NANDINI LAKSHMAN/MUMBAI



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MICROFINANCE

Rainy Day Blues. Microloans are welcome, but the world's poor won't touch microinsurance. Why?



BY BARBARA KIVIAT

THERE ARE HIGHER-YIELDING VARIETIES of groundnut than those that farmers in Malawi tend to plant, but getting them to switch is tough. Better seed is pricey, increasing their risk. So researchers from the World Bank ran an experiment. With local NGOs, they offered the farmers loans. Some loans even came with a crop-insurance policy: if the season was dry and the yield a dud, the debt would be forgiven. The farmers' risk was lowered. Of farmers offered conventional loans, 33% signed up. With the added incentive of insurance, 18% did. The researchers were puzzled.

It's been more than 30 years since microfinance began its fantastic rise, spreading billions of dollars in credit to hundreds of millions of overlooked borrowers around the world. Insurance is the next big promise of financial services for the poor.

But there aren't many takers.

That's not from lack of interest on the part of suppliers. The Gates Foundation

has plowed millions of dollars into microinsurance initiatives, and in June, LeapFrog Investments raised \$44 million for the world's first microinsurance-investment fund. The few billion uninsured people worldwide have big insurers angling for their business—with not many standout results. “We haven’t really figured out a good model,” says Monica Brand of the microlending juggernaut ACCION International.

Xavier Giné, a World Bank economist in Malawi, has seen microinsurance sputter time and again, even in areas where microloans thrive. Unforeseen economic behavior is driving these opposite outcomes, he says. “When we think about credit, lenders need to trust the borrower. But in insurance, it’s the exact opposite. You have to trust that the insurance company will pay the claim.” It’s hardly a stretch that people new to financial institutions don’t. (My crop fails, and you pay me? Ha!) In India, Giné has found, it’s actually risk takers who are more willing to buy insurance policies: the thing meant to

hedge against risk is seen as risky. And perhaps not without reason. Insurers didn’t pay off in Bangladesh in the 1990s, one of the earliest attempts at microinsurance.

In *Portfolios of the Poor*, New York University economist Jonathan Morduch and his co-authors toss out other reasons microinsurance may be a hard sell. First, being poor is not without complications, and that’s part of what makes a loan attractive. Sure, microcredit is typically meant to help build a business, but cash is fungible—if there’s no money for dinner one night, a line of credit, whatever its intent, solves the problem. Not so for insurance, which asks people to decide in advance which of the many risks they face they should hedge.

Plus, even without formal insurance, most people already have some version of a safety net: friends, family and—in truly catastrophic situations—government. “The challenge for insurance is to beat those other mechanisms, not to beat nothing,” says Morduch.

Insurers are trying. Munich Re is piloting flood insurance in Jakarta; Swiss Re is peddling health policies in Pakistan; Zurich Re is trying out disability coverage in China. The trickiest part, says Brandon Mathews, who heads Zurich’s developing-markets business, isn’t figuring out what to sell but rather connecting with customers. Some of his team’s more creative ideas: sell unemployment insurance in Brazil on people’s utility bills and push personal accident policies in Bolivia via scratch cards sold at newsstands.

It might seem logical to partner with established microlenders, yet insurers are finding that their policies as microloan tagalongs come with their own set of problems. In its Pakistan health-care trial, Swiss Re has seen many fewer claims than expected submitted by people receiving insurance as part of a loan. Giné, who has observed similar results in the Philippines, suspects loan officers sweep the added benefit under the rug. Reason? They fear that potential customers will walk if they feel they’re paying for something they didn’t ask for. So they never know about the coverage they have.

There is also a much more basic explanation for why insurance doesn’t sell. Insurance has proved its worth for centuries, but people still resist it. They don’t like thinking about the possibility of bad things happening. That’s why car insurance is mandatory—and health insurance may soon be. If supposedly financially sophisticated Americans have to be coerced to buy insurance, should we really expect people in less rich countries to be any different?


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MEGACITIES

Singapore's All Wet. And it's not just the rain. The island nation has made a business of carefully managing its H₂O



BY NEEL CHOWDHURY

IN SINGAPORE, THERE IS WATER everywhere and, belying the old adage, almost every drop can be drunk. Much of Singapore's water falls from the sky. Stand outside in the afternoon, when dark thunderclouds usually roll by, and you will probably get

drenched. An average of 7.9 ft. of rain falls on Singapore annually, nearly 2½ times the global average. Moreover, this small, chestnut-shaped, 268-sq.-mi. island is surrounded by water, albeit the salty kind.

Hot, equatorial, but with limited groundwater, Singapore has made itself a global paragon of water conservation by harvesting—and reusing—the aqueous bounty of its skies and, to a lesser extent, its surrounding seas. “It is an exemplary model of integrated water management,” said Lars Gunnarsson of the Stockholm International Water Institute in the citation given to Singapore's national water agency when it won the 2007 Stockholm Water Industry Award. “The story would fit well as a study example in the education of water managers.”

Water is chronically in short supply in the world's megacities. In the arid Western U.S., cities like Los Angeles and Phoenix are in constant legal scrapes over access to the stuff, and there are strict rules for homeowners about usage. By 2025, 1 in 2 Africans could face water scarcity, leading to potential water wars between countries. Chronic shortages are also expected in Asia. And groundwater supplies in three of India's most productive agrarian states are rapidly shrinking.

Singapore's success story, like many happy ones, began in struggle. “When you have your back against the wall, you come out fighting,” says Sam Ong, deputy CEO of Hyflux, a Singapore-based water-treatment company. “That's how Singapore is with water.” The fight dates back to several old water agreements with Malaysia, the country Singapore acrimoniously broke away from in 1965—which en-

sured that as of Singapore's independence, 80% of its freshwater supply came from Malaysia through fat steel pipes across a causeway. Yet soon after Singapore signed the agreements over the course of 1961 and 1962, it began formulating Plan B. Fearing that its erstwhile master would use water as a “lever of pressure,” as Singapore's first Prime Minister, Lee Kuan Yew, put it in his memoirs, the country has searched for more than 40 years for ways to wean itself off foreign water.

It has succeeded. Even though roughly 40% of the country's freshwater still comes from Malaysia, by building a sophisticated network of rivulets, storm drains and canals, Singapore has made itself into a vast catchment area for the thundershowers that regularly soak it. “We are a large-scale urban storm harvester” is how Khoo Teng Chye, chief executive of Singapore's PUB (formerly known as Public Utilities Board), puts it. “We do not have any groundwater, but we do get a lot of rain,” Khoo says. “That was the starting point of our efforts.”

And Singapore purifies and recycles what it captures, including sewage. Here's how it works: More than half the island is crisscrossed by a grid of drains that not only prevent flooding, to which low-lying Singapore is prone, but more important, capture rainwater. That rainwater eventually flows into canals. From the canals, the water runs to one of several reservoirs and then to a treatment plant, where it is purified for home use. The wastewater, meanwhile, runs into a gigantic underground pipe, nearly as wide as a subway tunnel, that traverses the length of Singapore. To speed the water flow, this giant pipe tilts progressively downward, reaching a depth of 230 ft. By that point, hundreds of millions of gallons of water have arrived below a lip of reclaimed land on the easternmost edge of Singapore. There, a newly opened \$2.5 billion water plant pumps the water back to the surface and treats it, discharging some of it out to sea and treating some of it further for use in factories. Not only are rainwater and wastewater efficiently “harvested” in this way, officials point out, but the sys-



tem also makes every Singaporean water-conscious. “We want to promote the idea that the water that falls on your roof, patio or car park is eventually used,” says the PUB's Khoo. “This ensures the environment is kept clean.”

The government's enlightened policies have developed an expertise in water management that has spawned a host of profitable companies. Chief among them is Hyflux, a water-treatment company that purifies waste-, salt- and rainwater. Hyflux was started in 1989 by a chemistry graduate named Olivia Lum, who grew up so poor in a Malaysian village that rains regularly flooded her grandmother's small wooden house.




Aquitecture Singapore imports 40% of its water from Malaysia through a trio of pipes, top, that run along the causeway connecting the two nations. The new Changi water-reclamation plant, above, can treat and recycle 200 million gal. a day

The company struggled for nearly half a decade. Then came the penguins. "To convince Singapore [that it could treat water], we tried our first project in a bird park with the penguin tank," explains Hyflux's Ong. Because penguins are used to pristine arctic water, the water in their tank needed to be continuously cleaned. The penguins were pleased enough by Hyflux that the company was allowed to recycle part of Singapore's wastewater into drinking water, which has in turn propelled Hyflux from a start-up into a global player in water treatment. Its systems are now used in cities such as Tianjin, China, and Magtaa, Algeria.

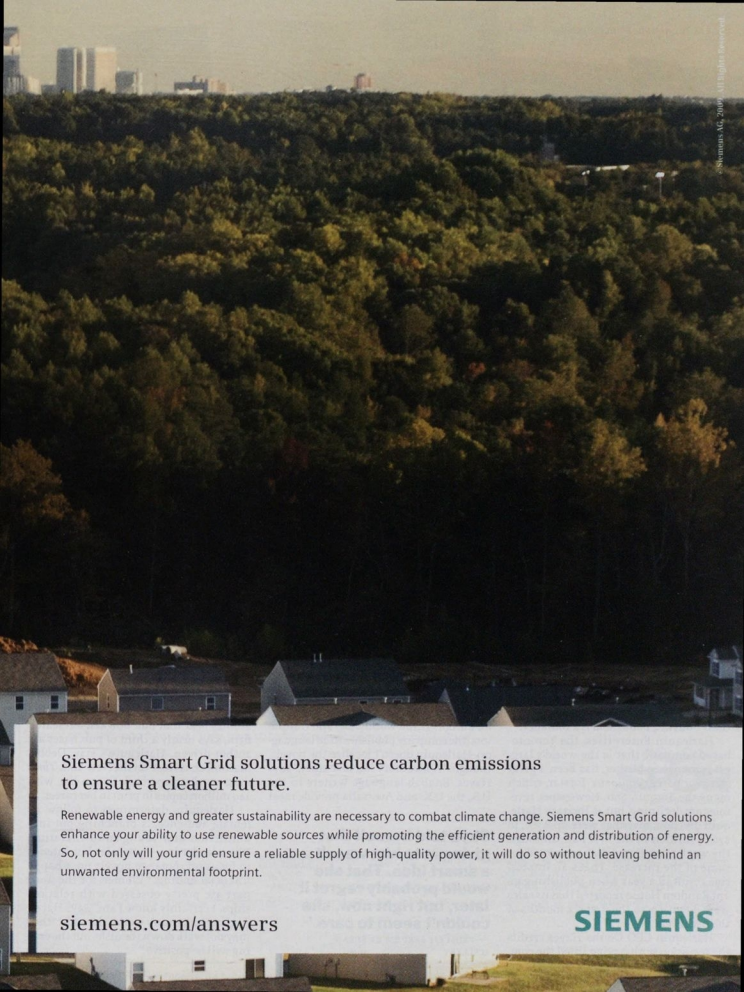
Hyflux's membrane technology shows that even the dirtiest water can be cleaned. Seawater in Singapore, for instance, is first dosed with acids to adjust alkaline levels and then cleaned of contaminants like oil and grease. The water passes through a sieve of sand that removes silt. Then it is shot through a stringy honeycomb of plastic membranes at high pressure, which "polishes" the water, Ong says. In the case of desalination in Singapore, Ong adds, the water becomes so clean that minerals have to be restored for it to be consumed. In 2008, Hyflux reported net profits of \$40 million, a 79% increase over the previous year, on revenues of roughly \$382 million. Hyflux's stock has jumped almost twentyfold since its public listing in 2001.

Not all of Singapore's water babies harbor such commercial promise. To highlight its prowess at converting wastewater into drinking water, the government created a drink called NEWater and packaged it in colorful plastic bottles. Although it's copiously drunk by Singaporean government ministers, often at media-saturated events like the country's National Day celebrations, brands like Evian and Perrier have little to fear. Singapore's officials are more interested in making a point than a dollar, the point being that water is a valuable, renewable resource.

The country's painstaking efforts to become self-sufficient in water have worked. The first of the water agreements with Malaysia, which expires in 2011, is not likely to be renewed, according to a book sponsored by the Singapore government. Equally important, by using so much of its land to capture rainwater, Singapore has made its citizens environmental stewards who take responsibility for conserving resources. "It's a passion," says Albert Phee, a 49-year-old IT expert who has persuaded his family to turn off the shower while shampooing and reuse the water he washes his car with for flushing the toilet. "Once I've started, I can't stop." ■



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THE ARTS

Saved by Romance. Torstar's Harlequin, publisher of steamy novels, remains a hot spot in a tepid industry

BY ANDREA SACHS

ROMANCE NOVELS, AN INEXPENSIVE escape for women, are helping some publishers hide from the worst of the recession. Frequently an impulse purchase, mass-market paperback romances, often bought on the run at drugstores and supermarkets, cost \$4.75 to \$5.99—a bargain when hardcover editions are typically \$25 or more. Trade romances, which cost up to \$14, are still a relatively good buy. The bodice rippers piled up nearly \$1.4 billion in sales last year, the largest share of the consumer book market. More than 1 out of 4 books sold is a romance.

Harlequin Enterprises, the Toronto-based company that is the world's largest romance publisher, has been a great story for parent company Torstar, which owns the Toronto Star Newspaper. Revenues are declining, but at Torstar's Harlequin division, revenues were up 8.7%, to \$225.5 million in the first half, although the weak Canadian dollar accounted for some of the increase. That's an impressive result in a year when publishing giant Random House reported that its sales were down 4% in the first six months of the fiscal year.

Harlequin CEO Donna Hayes credits the recession with having lifted the com-

pany's profits. "We tend to do better than we would otherwise because we have the benefit of the kind of story that is very uplifting in all of our books." A happy ending is a sine qua non of romance fiction: girl catches guy, and all is well with the world. Hayes also credits series romance books, sold monthly like magazines, with lifting sales. "Where else can you get two or three or four hours of entertainment for \$5 or less?" she asks.

Romance fiction, like romance itself, is global. Harlequin sells in 114 markets on six continents. With more than 110 new titles a month, the company has big bills for authors (1,100 worldwide) and translators (the company publishes in 28 languages). Harlequin doesn't localize the novels, though. "A love story is a love story," says Hayes. English-language writers in the U.S., the U.K. and Australia provide most

'Skye told herself that giving in to him wasn't a smart idea. That she would probably regret it later, but right now, she couldn't seem to care.'

—FROM LIP SERVICE BY SUSAN MALLERY

of the output, which Harlequin has found sells just as well in other countries.

Covers are another story. Famous for their bodacious bosoms and six-pack abs, they must be toned down in some markets. "We'd be likely to have more modest-looking covers in India," where, says Hayes, "generally, women are less likely to want to carry around a book that is very explicit." Not so in the West. "Increasingly, romance fiction is for women who move their hips when they read," joked a Canadian journalist.

Once a romance habit develops, a reader tends to stay hooked. "It's a lovely addiction to have," says Diane Pershing, president of the Romance Writers of America, the romance authors' guild. "The average romance reader is such a loyal person that if she finds a new author she likes, she'll get the entire backlist. That helps sales." (Pershing is the author of 19 romance novels, a dozen of them with Harlequin.) Studies bear that out. Bowker, a research firm, says nearly a third of purchases are author-driven. Harlequin's star, Debbie Macomber, is No. 1 on the New York Times mass-market paperback fiction list, with 140 million copies in print in her career.

Harlequin, determined to follow its female audience, is branching out into nonfiction and young-adult literature. It is a leader in e-book sales but intends to focus on romance novels for a happy financial ending. "Women for the most part are pretty obsessed with relationships. I certainly know I am," says Hayes. And in Harlequin's world, she adds, "they may not walk down the aisle, but the ending will be positive."

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GLOBAL ADVISER

Winter Doubleheader. The World Cup joins the Olympics in the cold next year. Will the economy chill ticket sales?



BY STEVE GOLDBERG

THERE WILL BE TWO SETS OF WINTER GAMES in 2010. First up, Feb. 12-28, will be the 21st Olympic Winter Games in Vancouver, a quick return to North America after a sojourn in Italy in 2006. No need to unpack the cold-weather clothes, because four months later, in the midst of winter in the southern hemisphere, will be the FIFA World Cup in South Africa. Ever since the International Olympic Committee decided to stagger the Summer and Winter Games after 1992, the frozen sports have been played in the same year as the World Cup, giving fans two major events to watch.

There will be 86 events spanning seven sports around Vancouver and at the Whistler ski area, a two-hour drive north. Despite the economy, ticket demand has not gone downhill. According to U.S. Olympic Committee (USOC) spokeswoman Nicole Saunches, "Ticket demand has been high, as you would expect with the Games right across the border. That's been great for Vancouver and the Games in general."

Americans have already received the largest allotment of tickets ever for the U.S. in a nonhosted Winter Games, and

they want more. Mark Lewis, president of Jet Set Sports, whose CoSport subsidiary handles ticketing for the USOC, says more than 80,000 individual tickets have been sold so far. The final phase of ticket sales will be in mid-September, and fans who want tickets should go to cosport.com. "It's certainly not too late," says Lewis. Nor is it too late to book hotel reservations. "There will be rooms available, and more are opening up," says Walt Judas, vice president of Tourism Vancouver, noting that inventory is being released by organizers and companies that blocked many of the 25,000 rooms in metro Vancouver early on.

Historically a warm-weather event, the 19th edition of the World Cup will be contested for the first time in Africa, in the continent's southernmost country. The tourney kicks off on June 11, with the final on July 11

The 19th edition of the World Cup will be contested for the first time in Africa, in the continent's southernmost country

in Johannesburg. South African winters are generally comfortable, but as this June's Confederations Cup showed, it can get frosty (28°F, or -2°C) at night. Yet fans could be warmed by livelier games. Former German great Franz Beckenbauer has said, "The players like it. You can only play a fast game like this in the cool or cold weather."

The big issue isn't weather. It's whether there will be rooms for everybody. The official word is, "FIFA believes there is sufficient quality accommodation in South Africa." But FIFA boss Sepp Blatter has basically ordered organizers to augment the room supply with cruise ships. Tamara Cohen, a South African who is a travel consultant in Charlotte, N.C., says that while FIFA's got all the major hotels and chains booked solid, there are other options, including private homes available for rent, boutique hotels, B&Bs and guesthouses. "This type of accommodation has exploded in South Africa in the past 10 years," she says. "It is really a good value and much more personal."

That is, once you get there. Airlines have yet to add flights for the World Cup. (It's at least a 15-hour hop from the U.S.) Cohen cautions that travel to Africa isn't like anything else and that World Cup tourists should organize early and deal with reputable agents. Tickets are available through FIFA's second phase of sales, which runs until Nov. 16. U.S. Soccer's Neil Buethe says FIFA is allotting 12% of each stadium's seats to participating teams, and once the American team has qualified, fans should check ussoccer.com for more information. The next phase of ticket sales begins on Dec. 5, the day after the final draw. As of Sept. 1, the U.S. is second only to the host country in ticket purchases—78,328, according to FIFA, almost double that of the next best, England. U.S. Soccer president Sunil Gulati isn't surprised, crediting the sales to the increasing popularity of the sport domestically along with the sheer size and wealth of the U.S.

Whatever winter event you choose, make sure you deal with legitimate travel agencies and ticket brokers. After going that far, you don't want to be left out in the cold.



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Arts

ART



BOOKS



MUSIC

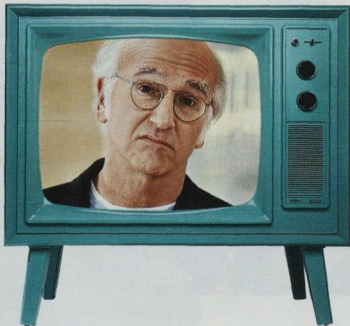


MOVIES



FALL PREVIEW

TELEVISION



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THEATER



TELEVISION Curb Your Enthusiasm

It's a Festivus miracle! On his on-again, off-again HBO comedy, Larry David enlists the *Seinfeld* cast for a story arc in which he and Jerry decide to make a reunion special of the NBC hit. 9/20

TELEVISION Community



Joel McHale is a satanic delight in NBC's comedy about a slick lawyer who enrolls at a community college to set his undergrad record right. Chevy Chase (left) stands out as Pierce, a pompous retiree. 9/17

TELEVISION FlashForward

In the pilot of this *Lost*-like show on ABC, everyone on earth blacks out at once for 137 sec. While out cold, each person has a premonition of the same day six months from then. Who's behind it, and can the scary future be forestalled? That's the story of the first season. 9/24



BOOK The Lost Symbol



Dan Brown's follow-up to *The Da Vinci Code* reunites symbology-starved fans with their spiritual leader, Robert Langdon. The book follows 12 hours of his life and involves Freemasonry. Also, a symbol. 9/15

BOOK Blood's a Rover



Set in the sweltering summer of 1968, in a shadowy world of political operatives and assassins who clip black militants and commie sympathizers at the whim of J. Edgar Hoover and Richard Nixon, James Ellroy's new noir is a conspiracy theorist's nightmare. 9/22

ALBUM Monsters of Folk

An indie supergroup—Bright Eyes' Mike Mogis and Conor Oberst, My Morning Jacket's Jim James, and M. Ward—makes its debut. 9/22



MOVIE Fame

We still have the original theme song in our heads. But forget about living forever—can *Fame* survive the jaded early years of the 21st century, when a young person's fame seems more likely to be achieved through reality television than an actual skill set? On the plus side, Debbie Allen has not left the building. 9/25

THEATER Movie Stars on Broadway

A Steady Rain, a play by Keith Huff, is about two Chicago cops. So who will star in the production opening Sept. 29 on Broadway? Why, an Australian (Hugh Jackman) and James Bond (Daniel Craig)! Jude Law (below) seems a little more logical as Hamlet, in a revival of Shakespeare's tragedy that opens Oct. 6.



ALBUM Memoirs of An Imperfect Angel

With no commercial reason to change, Mariah Carey, the Nora Roberts of pop, returns with more romance, more ballads (notably a cover of Foreigner's "I Want to Know What Love Is"), a shorter dress and an army of hip-hop beatmakers to ensure there's not a single under-produced moment. Expect sales to be vigorous. 9/29

ALBUM

Love Is the Answer

To the question, What will my mom be listening to for the next four years? The single-disc edition features Barbra Streisand with orchestra; a deluxe two-discer includes sessions with Diana Krall's jazz group. 9/29

TELEVISION

The Good Wife

In this CBS drama, which offers wish fulfillment for anyone who has gritted her teeth at the tableau of another "good wife" standing by her man, Julianna Margulies plays Alicia Florrick, who returns to practicing law after her husband Peter (Chris Noth) is forced to resign amid a political sex scandal. 9/22



EXHIBITION
Kandinsky

In the first half of the 20th century, Wassily Kandinsky was surely abstractionism's most tireless evangelist, committed to exploring the ways paint could represent the immaterial world of spirit he had discovered in the works of the mystic Madame Blavatsky, founder of Theosophy. Blavatsky was a crank, but you don't have to believe a word she wrote to find Kandinsky's plumes of color—on view at the Solomon R. Guggenheim Museum in New York City—heavenly. 9/18



TELEVISION
The National Parks

Ken Burns, PBS's biggest documenter of Americana, covers the story of Yellowstone and company in 12 hours, which is just slightly less time than it took the Colorado River to carve out the Grand Canyon. 9/27

MOVIE

The Informant!

Matt Damon is the bold, devious informant! in this comedy-thriller from Steven Soderbergh, based on the tale of an Archer Daniels Midland exec who fed the feds juicy company data. The exclamation point tips the tone: deadpan wackiness! 9/18



MOVIE

Jennifer's Body



Megan Fox stars as a high school student who devours ungentlemanly callers. There must be a female-empowerment message here; once we push through the hordes of panting young men, we'll find it. 9/18

BOOK

Her Fearful Symmetry

Five years after *The Time Traveler's Wife*, Audrey Niffenegger returns with a gothic tale about identical twins who inherit an apartment next to London's Highgate Cemetery. They also inherit a ghost. 9/29



OCT. 10/13

MUSIC Two Maestros

Two of the nation's most prestigious podiums will change hands this fall. On Sept. 16, Alan Gilbert, 42, steps in as music director of the New York Philharmonic, an ensemble he grew up with (his parents were in its violin section). On Oct. 8, Venezuelan Gustavo Dudamel, 28, the son of a salsa trombonist, takes over the leadership of the Los Angeles Philharmonic. Both exude fresh ideas and a flair for contemporary music.



MOVIE Amelia

Mira Nair (*Monsoon Wedding*) excels at telling women's stories. Hilary Swank's (above) boyish physicality makes her a dead ringer for Amelia Earhart. Let's just hope this biopic has some of Earhart's daring. 10/23

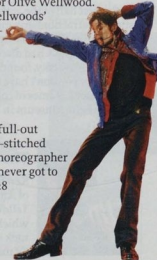


BOOK The Children's Book

A.S. Byatt (*Possession*) returns to the 19th century with *The Children's Book*, which centers on English fairy-tale author Olive Wellwood. The novel traces the Wellwoods' fortunes—and reveals their secrets—as they navigate the tectonic cultural shift from Victorian to modern. 10/6

MOVIE This Is It

Michael Jackson (right) never made a full-out concert film. This rehearsal footage—stitched together by Kenny Ortega, director-choreographer of the London concert series Jackson never got to give—is it, or as close as we'll get. 10/28



ALBUM Christmas in The Heart

Has there ever been an album you wanted to hear more—knowing you may want to hear it only once? A Bob Dylan Christmas album sounds like a *Saturday Night Live* premise, but it's being billed as a traditional affair, with versions of "Here Comes Santa Claus" and "Winter Wonderland." Dylan's proceeds go to charities that feed the hungry. 10/13



BOOK Bright-Sided: How the Relentless Promotion Of Positive Thinking Has Undermined America



Nickel and Dimed author Barbara Ehrenreich describes the national insistence on positive thinking as a "mass delusion." 10/13



BOOK Last Night in Twisted River

John Irving's books are a strange mixture of brutality, tenderness and randomness. His 12th novel begins in 1950s New Hampshire, where a boy accidentally kills a woman with a blow from an 8-in. cast-iron skillet. 10/27



MOVIE Where the Wild Things Are

This fall, the wildest thing of all promises to be Spike Jonze's live-action version of Maurice Sendak's beloved children's book. And since Jonze's film has the author-artist's blessing, we expect to want to eat it up. 10/16



ARCHITECTURE Dallas Center For the Performing Arts

There hasn't been a performing-arts project this ambitious since New York City broke ground on Lincoln Center half a century ago. The question now is, If you build it, will they come? 10/12

MOVIE Capitalism: A Love Story

His anti-Iraq invasion movie *Fahrenheit 9/11* became a major factor in the 2004 presidential campaign, and his 2007 *Sicko* anticipated the health-care debate. Now Michael Moore has a docucomedy about last fall's Wall Street collapse, or swindle, or welfare for the rich. If there was ever another subject suitable to Moore's mixture of humor and outrage, the bailout would be it. 10/2 (wide)



ALBUM Dolly

This four-disc, four-decade box set traces Dolly Parton's career from her years as Porter Wagoner's "girl singer" to her time atop the country charts to her reinvention as the torch carrier for bluegrass. 10/27



MOVIE A Serious Man

Joel and Ethan Coen are the Penn & Teller of indie auteurs; their movies are sophisticated tricks played on the audience. But here the brothers wade into ostensibly autobiographical waters: the lives of Jewish academics in '60s Minnesota. Is their tale of a professor beset by domestic trials a switch in tone? Or is the title one more act of Coen misdirection? 10/2

MOVIE Zombieland



In a world overrun by zombies, a nerd named Columbus (Jesse Eisenberg) convenes a few other misfits named after Midwestern cities to battle a plague of the slow-walking dead. The horror comedy *Zombieland*, also starring Woody Harrelson and Abigail Breslin, has high hopes attached to it. Can it be as funny and original as *Shaun of the Dead*? We'll be there to find out. 10/2

EXHIBITION Arshile Gorky

Arshile Gorky came to the U.S. in 1920 as a teenage refugee from the Armenian genocide. Just 28 years later, suffering from cancer and depressed after a series of setbacks, he took his own life. All the same, that life was a triumph. This Philadelphia Museum of Art retrospective, his first in almost 30 years, will trace the full arc of Gorky's profound struggle to find himself. 10/21



MOVIE
Precious

In an indie winner that's even more inspiring than it is harrowing, Gabourey Sidibe lends her full dramatic weight to *Precious*, a pregnant Harlem teenager with precious little to live for. But the big news is comic actress Mo'Nique as Precious' mother, a figure of horror and late-blooming pity. You should hear her name on Oscar night. 11/6



BOOK
Eating Animals

Jonathan Safran Foer is a novelist (*Everything Is Illuminated*, *Extremely Loud and Incredibly Close*), but here he turns his hand to nonfiction. As a young man, he flirted with vegetarianism. After his two children were born, he decided to make a serious inquiry into the ethics of eating meat. This book is the result. 11/2

BOOK
The Lacuna



Whereas Foer went from fiction to food, Barbara Kingsolver is going from food (*Animal, Vegetable, Miracle*) back to fiction with her first novel in nine years. *The Lacuna's* hero is an American who grows up in Mexico (where his mother is from) and stumbles fortuitously into the household of Diego Rivera and Frida Kahlo, and from there into that of the exiled Leon Trotsky. 11/3



MOVIE
Fantastic Mr. Fox

It's a Wes Anderson movie featuring Bill Murray, Owen Wilson and Anjelica Huston—but this time they're bringing a children's tale by Roald Dahl to stop-animation life. In Dahl's story, Mr. Fox gets in deep trouble with the neighborhood farmers and must use his wits to save his family. George Clooney voices the hero; Meryl Streep, that versatile vixen, plays his supportive spouse. 11/13



MOVIE
New Moon

Boy meets girl; boy is vampire; girl loves him all the more for his disability or gift and for the rapture she feels risking her life to be with him. In this sequel to *Twilight*, Kristen Stewart and Robert Pattinson return as Bella and Edward, and Taylor Lautner is back as Bella's mysterious friend Jacob. With werewolves added to the vampire mix, *New Moon* should be a howling success. 11/20

MOVIE
Broken Embraces

Spain's Pedro Almodóvar reunites with his Oscar-winning muse Penélope Cruz in *Broken Embraces*, a broody romance about a movie actress who mesmerizes her director in life and death. 11/20

BOOK
Open



The buzz is good on Andre Agassi's memoir, which describes a youth spent in grinding tennis camps. He writes about the ungody pressure of pro tennis and the inner lives of his fellow sports legends. All that aside, Agassi was married to Brooke Shields, then found happiness with Steffi Graf. With that story, it would be hard not to hit a winner. 11/9

BOOK
Pirate Latitudes



In 1665, England and Spain were squabbling over Jamaica. In Michael Crichton's posthumous novel, Jamaica's governor sends a pirate to take down a Spanish galleon loaded with treasure. Steven Spielberg has already snapped up the movie rights. 11/24

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ALBUM
Norah Jones



Norah Jones burst out of the career gate like a sprinter, but she's always had more of a marathoner's gait. That explains why she spent three albums happily working the same languid corner of the coffeehouse—and why on her fourth, she's decided to pick up the pace. The result is rumored to be a Jones album that gallops as well as soothes.

ALBUM
**Miles Davis: The Complete
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(available only on Amazon), that works out to about \$5 a disc. A bargain—until you add in the cost of new shelves. **11/10**

ALBUM
Rebirth

Lil Wayne's much touted rock debut is the most anticipated album that may never actually happen. The release date slid through 2009 before ending up here—for now. **11/24**



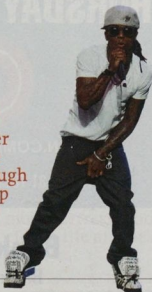
BOOK
Under the Dome

Imagine waking up one morning and discovering that your entire town is trapped under a giant, invisible dome. You'd be either in Springfield (*The Simpsons* Movie features a similar plot point) or in Chester's Mill, the small Maine hamlet in Stephen King's latest book. *Under the Dome* includes all the King flourishes—small-town secrets, small-town shenanigans and many, many (more than 1,000) pages. 11/10

MOVIE Nine



The star power of the new musical from Rob Marshall (*Chicago*) is of the highest order: Daniel Day-Lewis, Judi Dench, Sophia Loren, Penélope Cruz, Nicole Kidman, Marion Cotillard. With such epic productions, there's always the risk of awfulness, but at first glimpse, Marshall's adaptation of Federico Fellini's *8½* looks magical.



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Nancy

Gibbs

Time Will Tell. We can learn a lot from how the past saw the future—and imagining how the future will see us

EVERY FALL THE PROFESSORS AT BELOIT COLLEGE PUBLISH their Mindset List, a dictionary of all the deeply ingrained cultural references that will make no sense to the bright-eyed students of the incoming class. It's a kind of time travel, to remind us how far we've come. This year's freshmen were typically born in 1991. That means, the authors explain, they have never used a card catalog to find a book; salsa has always outsold ketchup; women have always outnumbered men in college. There has always been blue Jell-O.

In 1991 we were fighting a war in Iraq, and still are; health care needed reforming, and still does. But before despairing that some things never change, consider how much has. In 1991 the world watched a black motorist named Rodney King be beaten by L.A. cops, all of whom were acquitted; a majority of whites still disapproved of interracial marriage. Ask yourself, Would the people we were then have voted for a mixed-race President and a black First Lady?

That year, apartheid was repealed, the Soviet Union collapsed, the Dow broke 3000. The next year, the first commercial text message was sent; now there are more transmitted every day than there are people on the planet. In the time it took for toddlers to turn into teenagers, we decoded the human genome and everyone got a cell phone, an iPod, a GPS and a DVR. As the head-spinning viral video "Did You Know" informs us, the top 10 jobs in demand in 2010 did not exist six years ago, so "we're preparing kids for jobs that don't yet exist using technologies we haven't yet invented."

We have managed, rather gracefully, far more change than we predicted would come; it turns out that our past's vision of the future was not visionary enough. This is often the case: reality puts prophecy to shame. "Sensible and responsible women do not want to vote," declared Grover Cleveland in 1905. Harry Truman, in his 1950 State of the Union address to mark the midcentury, predicted that "our total national production 50 years from now will be four times as much as it is today." It turned out to be more than 33 times as large. "It will be gone by June," promised *Variety* in 1955—talking about rock 'n' roll. "It will be variety—not in my time—before a woman will become Prime Minister," declared Margaret Thatcher in 1969.

Leaders rely on the future as a vaccine against the present. The Soviets have put a man in space? "I believe we should go to the moon," President Kennedy announces. "I have a dream," the Rev. Martin Luther King Jr. declares as the world around him burns. Maybe the promise is realized, even surpassed; maybe it keeps receding, pulling us along. "The best thing about the future is that it comes only one day at a time," Abraham Lincoln supposedly observed. Which is true for those in charge of creating it but maybe not for the rest of us. When we pause and look back, we get to see the past's future, know how the story turned out. Did we rise to the occasion? Did we triumph? Did we blink?

The past's power comes from experience, the lessons it dares us to dismiss on the grounds that maybe things will be different this time. The future's power is born of experiment, and the endless grudge match between fear and hope. We are having a dozen simultaneous conversations right now about change: in our institutions, our culture, our treatment of the planet and of one another.

It's tempting to just stand stock-still and squeeze your eyes shut and wait for the moment to pass, or else hoard canned goods and assume the worst. This has

been an awfully ugly summer of argument, and you'd be forgiven for concluding that we've lost our will to face or fix anything. We'll just dance with the devils we know, thank you. But if you look past Washington, past Wall Street, turn down the volume and go outside and walk around, you'll find the parcels of grace, of ingenuity and enterprise—people riding change like a skateboard, speeding off a ramp, twisting, flipping, somehow landing with a rush of wind and wheels—and wonder that it somehow hasn't killed us yet.

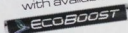
When members of the freshman class of 2027 look back at our future, what's likely to surprise them most? Will they marvel that gays were once not allowed to marry—or that they ever were? That we waited while the planet warmed, or that we acted to save it? That we protected the poor, or empowered them, or ignored them? That we lived within our means, or beyond them? We'll make our choices one day at a time, but our kids will judge our generation for what we generate, and what we leave undone.



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